API Well Number: 43037500410000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL

	1. WELL NAME and NUMBER Big Indian 24-31-30-25
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** UNDESIGNATED
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME**
6. NAME OF OPERATOR PATARA OIL & GAS, LLC	**7. OPERATOR PHONE** 303 563-5364
8. ADDRESS OF OPERATOR 600 17th Street Ste 1900S, Denver, CO, 80202	**9. OPERATOR E-MAIL** eeseeman@pataraog.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU82597	**11. MINERAL OWNERSHIP** FEDERAL ◉ INDIAN ○ STATE ○ FEE ○
12. SURFACE OWNERSHIP FEDERAL ◉ INDIAN ○ STATE ○ FEE ○	
13. NAME OF SURFACE OWNER (if box 12 = 'fee')	**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	**18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉
19. SLANT VERTICAL ○ DIRECTIONAL ◉ HORIZONTAL ○	

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1769 FSL 1070 FWL	NWSW	24	30.0 S	25.0 E	S
Top of Uppermost Producing Zone	1760 FSL 1065 FWL	SWSW	24	30.0 S	25.0 E	S
At Total Depth	773 FSL 515 FWL	SWSW	24	30.0 S	25.0 E	S

21. COUNTY SAN JUAN	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 1070	**23. NUMBER OF ACRES IN DRILLING UNIT** 640
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1250	**26. PROPOSED DEPTH** MD: 5241 TVD: 5000
27. ELEVATION - GROUND LEVEL 6310	**28. BOND NUMBER** UTB000428	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** commercial

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	20	16	0 - 60	94.0	H-40 ST&C	11.6	Light (Hibond)	50	2.16	11.6
SURF	12.25	8.625	0 - 2500	32.0	J-55 ST&C	8.9	35/65 Poz	500	2.81	11.6
							Type III	100	1.47	14.2
PROD	7.875	4.5	0 - 5241	11.6	L-80 LT&C	9.1	35/65 Poz	363	2.16	12.5

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☑ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

NAME Danielle Gavito	**TITLE** Regulatory Technician	**PHONE** 303 563-5378
SIGNATURE	**DATE** 12/21/2012	**EMAIL** dgavito@pataraog.com
API NUMBER ASSIGNED 43037500410000	**APPROVAL** Permit Manager	

RECEIVED: January 16, 2013

Patara Oil & Gas LLC
Big Indian 24-31-30-25
SHL: 1,769' FSL & 1,070' FWL
NWSW Sec. 24 T30S R25E
BHL: 773' FSL & 515' FWL
SWSW Sec. 24 T30S R25E
San Juan County, UT
Surface: Federal
Federal Mineral Lease: UTU82597

Onshore Oil & Gas Order No. 1 & No. 2
Drilling Plan

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of the subcontractors. A copy of these conditions will be furnished with the field representative to ensure compliance.

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated per Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. This NOS process included an onsite meeting which was held on November 29, 2012, prior to the submittal of this application at which time the specific concerns of Patara Oil & Gas LLC (Patara) and the BLM were discussed. Attendees of the onsite were: Theresa Garcia, Danny White, Dee Foote, Jay Allen, Danielle Gavito – all of Patara Oil & Gas, Carl Connor – Grand River Institute, Ron Renke – W.H. Smith Surveyors, Scott Carson – Smiling Lake Consulting, Inc., Nick Hall, Chris Gayer – Grasslands Consulting, Cliff Giffen, Rock Smith, Lisa Bryant, Don Montoya, Eric Jones, Aron King, Ann Marie Aubrey, and Pam Riddle – BLM Moab and Monticello Field Offices. All specific concerns of the BLM representatives are addressed herein, as are specific stipulations from the BLM.

Company Contact: Mr. Ryan Calhoun, Patara Oil & Gas LLC (303) 563-5373 for specific questions or concerns regarding this Drilling Program.

1 Formation Tops

Formation Tops	TVD (ft)	Subsea Depth (ft)	O/G Bearing
Dakota/Burro Canyon	Surface	6314	
Entrada	707	5954	
Navajo	916	5745	
Kayenta	1673	4988	
Wingate	1991	4670	
Chinle/Cutler	2307	4354	
HKTR MKR 5	2803	3511	G
HKTR MKR 1	3605	2709	G
La Sal	4010	2304	G
Ismay	4624	1690	G
Gothic	4888	1426	G
TD	5000	1318	

RECEIVED: December 21, 2012

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All indications of usable water (10,000 ppm or less TDS) shall be reported to the Moab Field Office prior to running the next string of casing or before plugging orders are requested, whichever occurs first. If noticeable water flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

Note: The operator proposes to protect potable groundwater/aquifers as follows: The surface casing will be set 200' into the Chinle/Cutler formation. Chinle/Cutler will be behind 8-5/8" 32#, J-55, ST&C surface casing set at 2,500' and cemented to surface.

DIRECTIONAL DRILLING PROGRAM

a. Kick-Off-Point (KOP) is estimated to be at ±2,200' MD.
b. The degree of inclination will build to 24.93 degrees and hold until ±5,000' TVD is reached.
c. The well bore will remain at the 24.93 degree inclination to ±5,000' TVD (5,241' MD).

2 *Casing Program*

16", 1/4" WT Conductor set to +/-60'.

Depths Run (ft):	0 – 2500'	Surface – 5241'
Hole Size:	12.25	7.875
OD (in):	8.625	4.5
Weight (lb/ft):	32	11.60
Grade:	J-55	L-80
Pipe ID (in):	7.921	4
Pipe Drift ID (in):	7.875	3.875
Burst Pressure (psi):	3930	7780
Collapse (psi):	2530	6350
Body Yield (kips):	503	267
Joint Strength (kips):	417	212
Connection:	STC	LTC
Coupling OD (in):	9.625	5
Min Make up torque (ft-lb):	2790	1675
Opt Make up torque (ft-lb):	3720	2230
Max Make up torque (ft-lb)	4925	2785

Casing Head – 11" x 8-5/8" SOW 5M
Tubing Head – 11" x 4-1/16" 10M

3 *BOP Specification*

Pressure control equipment rating will be 3,000 psi. This equipment will be nippled up on the surface casing and tested to 3000 psi high prior to drilling out. The choke manifold equipment, upper and lower kelly cock, and floor safety valves will be tested to 3000 psi high. The annular preventer will be tested to 1500 psi high. Surface casing will be tested to 1500 psi prior to drill out. BOP equipment will be tested after any repairs to equipment and at 30 day intervals. The pipe rams and blind rams shall be activated each trip. Weekly BOP drills will be held by each crew.

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PRESSURE CONTROL

- See attached blowout preventer diagram.

BOP REQUIREMENTS

Bureau of Land Management's minimum specification for pressure control equipment are as follows:

a. Ram Type 11" Hydraulic double ram with 3,000 psi annular, 3,000 psi wp.
b. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.
c. As a minimum, the above test shall be performed:
    i. when initially installed
    ii. whenever any seal subject to test pressure is broken
    iii. following related repairs and
    iv. at 30 day intervals
d. Valves shall be tested from working pressure side during BOPE tests with all downstream valves open.
e. When testing the kill line valve(s) shall be held open or the ball removed.
f. Annular preventers (if used) shall be functionally operated at least weekly.
g. Pipe rams, blind rams, or annular preventer shall be activated each trip; however, this function need not be performed more than once a day.
h. A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM Moab Field Office in Moab, Utah shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

a. The size and rating of the BOP stack is shown on the attached diagram.
b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
d. Drill string safety valve(s) to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

Statement of Accumulator System and Location of Hydraulic Controls

The drilling rig has not been selected for this well. Selection will take place after approval of this application is granted. Manual and/or hydraulic controls will be in compliance with OSO #2 for 5,000 psi system.

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A remote accumulator will be used. Pressures, capacities, location of remote hydraulic and manual controls will be identified at the time of the BLM supervised BOP test.

4 Cementing Program

Casing String	Cement	Interval	% Excess
Surface	500 sx Type III, 35/65 Poz 11.6 ppg (Yld:2.81cf/sk), + 100 Sx Type III, 1% CaCl, 14.2 ppg (1.47 cuft/sk)	0'-2500'	50%
Production	363 sx 12.5 ppg Type III, 35/65 Poz (Yield 2.16 cuft/sk)	2250'- 5241'	15%

Cement Additives

	Surface:	Lead:	**35:65 Poz Type III**	94 lb/sx Cement 0.04 lbs/sx Static Free 0.25 lbs/sx Cello Flake 2.0 lbs/sx Kol Seal 5% bwoc A-10 5% bwoc Sodium Metasilicate 0.5 gal/100 sxs FP-13L 1.0 lb/sx Pheno Seal 10 lbs/sx CSE-2 154.9% Fresh Water
		Tail:	**Type III**	94 lb/sx Cement 0.04 lbs/sx Static Free 1% bwoc Calcium Chloride 0.5 gal/100 sxs FP-13L 85.2% Fresh Water
	Production:		**35:65 Poz Type III**	94 lb/sx Cement 0.04 lbs/sx Static Free 0.25 lbs/sx Cello Flake 0.3% bwoc R-3 3.0 lbs/sx Kol Seal 0.3% bwoc BA-59 0.5 gal/100 sxs FP-13L 10 lb/sx CSE-2 6.0% bwoc Bentonite II 0.5% bwoc Sodium Metasilicate 0.3% bwoc FL-63 109.24% Fresh Water

a. The BLM in Moab, Utah will be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
b. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC times shall be recorded in the driller's log.

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5 Drilling Fluids

Interval	Type	Mud Wt (ppg)	Funnel Viscosity (sec/qt)	Fluid Loss (ml/30 min)
0'-2500'	Fresh water/ Gel & PHPA sweeps	8.7-8.9	34-38	20-30
2500'- TD	LSND (WBM)	8.6-9.1	35-38	6-8

a. Mud monitoring equipment to be used is as follows:
Periodic checks of the mud systems will be made each tour. The mud level will be checked visually.

i. There will be sufficient mud on location to ensure well control. There will be approximately 450 bbls of mud in reserve. The mud system will be run utilizing a closed loop system.

ii. A mud test shall be performed every 24 hours after mudding to determine, as applicable, density, viscosity, gel strength, static filtration loss and Ph.

iii. Hazardous substances specifically listed by the EPA as hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing or completion operations.

6 Auxiliary Equipment

PVT equipment measuring mud volume, pump strokes and percent flow will be installed after cementing surface casing and installing BOP. This system includes alarms and remote terminals located on the rig floor.

A) Mud logger with gas monitor – BSC to TD
B) Choke manifold with remote control choke
C) Full opening floor valve with drill pipe thread
D) Upper and lower kelly cock
E) PVT monitor on pit level, audio and visual BSC
F) Gas buster
G) Closed loop mud system

7 Logging

Logs	Interval
Platform Express (GR/AIT/NEUT-DEN w/ PE)	TD to BSC

8 Abnormal Pressure, Temperature, Potential Hazards

The maximum anticipated bottom hole pressure is ±2200 psi (0.44 psi/ft) and will be controlled with mud weight and BOP equipment. The anticipated bottom hole temperature is 130 °F. Hydrogen sulfide gas is not present in this field. The fracture gradient is anticipated to be 0.85 – 0.90 psi/ft.

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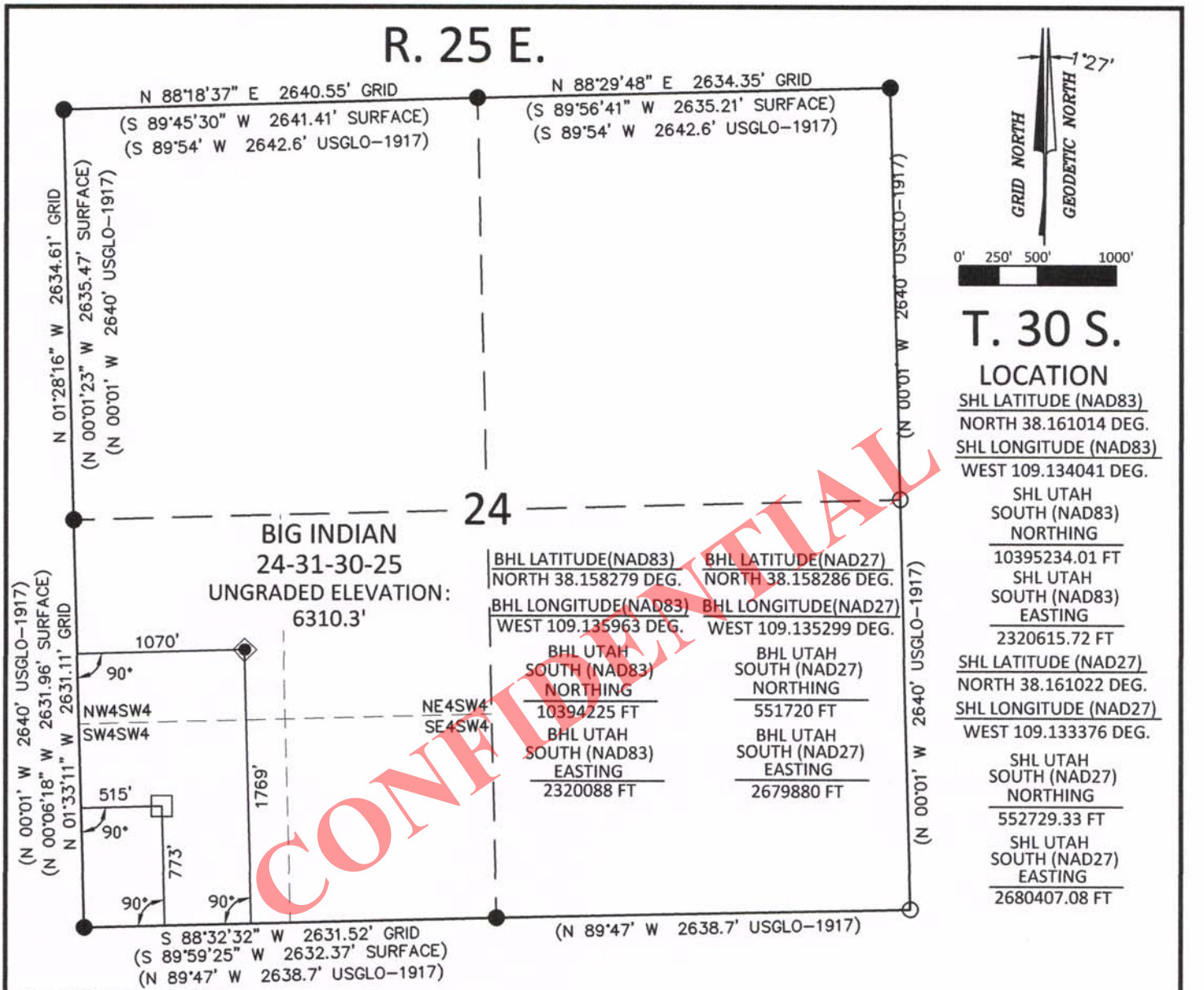
9 *Anticipated Agenda*

Operations are expected to commence soon after a permit is issued, subject to rig availability. Drilling operations will last about 14 days. If data indicates this is a commercial well, production casing will be run. Productive intervals will be fracture stimulated, and operations are anticipated to last 21 days. Approval for further action will be requested on a Sundry Notice.

- The BLM in Moab, Utah, Eric Jones (435-259-2117) shall be notified at least 24 hours prior to:
  - Spudding the well
  - Running the casing strings and cementing
  - BOP test/casing pressured tests
  - As a secondary contact, Marie McGann will be called at (435-259-2135).
- Within 30 days of completion of the well as a dry hole or producer, a copy of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and complied during the drilling, workover, and/or completions operations will be filed with a Completion Report (Form 3160-4) via the WIS portal, with casing/cementing reports and other required reports as attachments.
- The BLM in Moab, Utah (435-259-2100) shall be notified within 5 business days of production startup if either of the following two conditions occur:
  - The well is placed on production, or
  - The well resumes production after being off of production for more than 90 days.

RECEIVED: December 21, 2012

API Well Number: 43037500410000



SURVEYOR'S STATEMENT

I, William H. Dolinar, Professional Land Surveyor, UT RLS #7200155-2201 hereby certify that (in accordance with a request from Danielle Gavito with Patara Oil & Gas, LLC) I and or personnel under my direction made a survey on the 2nd day of October 2012, for the Surface Hole Location and Elevation as shown, being located within the NW1/4SW1/4 of SECTION 24, T30S, R25E of the Salt Lake Meridian, San Juan County, Utah of the BIG INDIAN 24-31-30-25 being staked on the ground as shown hereon.

NOTES

(1.)Basis of Datum is the Utah State Plane Coordinate System, South Zone, NAD83 from GPS observations derived from OPUS observations at WHS 1-1/2" al. cap, "CP 30-25-23" at North 10392479.99 FT, East 2317045.82 FT.
(2.) Vertical Datum used is of NAVD 88 referenced to said WHS control point CP 30-25-23, Elevation 6394.90 feet.
(3.) The Basis of Bearings for this survey is Grid North as referenced to the west line of the shown SW4 of SECTION 24 monumented as shown and bearing N 1° 33' 11" W .

LEGEND

- STAKED SURFACE HOLE LOCATION
- APPROXIMATE BOTTOM HOLE LOCATION
- FOUND 2-1/2" BRASS CAP SET FOR SECTION CORNER BY THE BLM IN 1916.
- CORNER POSITION CALCUTED FROM RECORD DIMENSIONS ON USLGO SURVEY PLAT APPROVED ON MAY 8, 1917.

PROFESSIONAL LAND SURVEYOR
No. 7200155-2201
WILLIAM H. DOLINAR
10/10/12
STATE OF UTAH
~SEAL~

CONFIDENTIALITY NOTES:
The information contained in this plat is legally privileged and confidential information intended only for the use of the recipients. If you are not the intended recipients, you are hereby notified that any use, dissemination, distribution or copying of this information is strictly prohibited.

BIG INDIAN 24-31-30-25 PAD

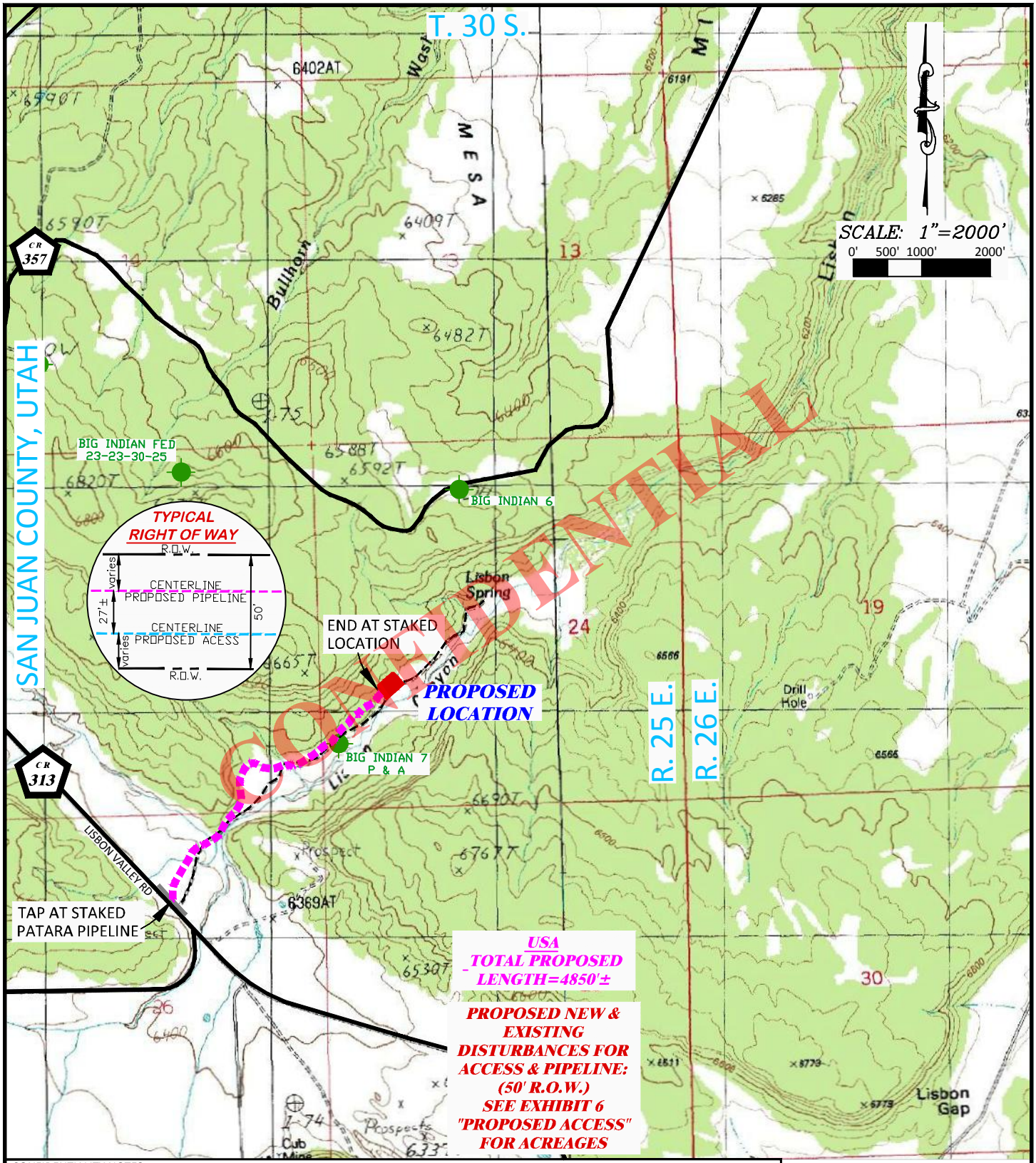
WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

PLAT OF DRILLING LOCATION
FOR
PATARA OIL & GAS, LLC

1769' F/SL & 1070' F/WL, SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.011	DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS:	SCALE: 1" = 1000'
	EXHIBIT 1 PAGE 1 OF 1

API Well Number: 43037500410000



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BIG INDIAN 24-31-30-25 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

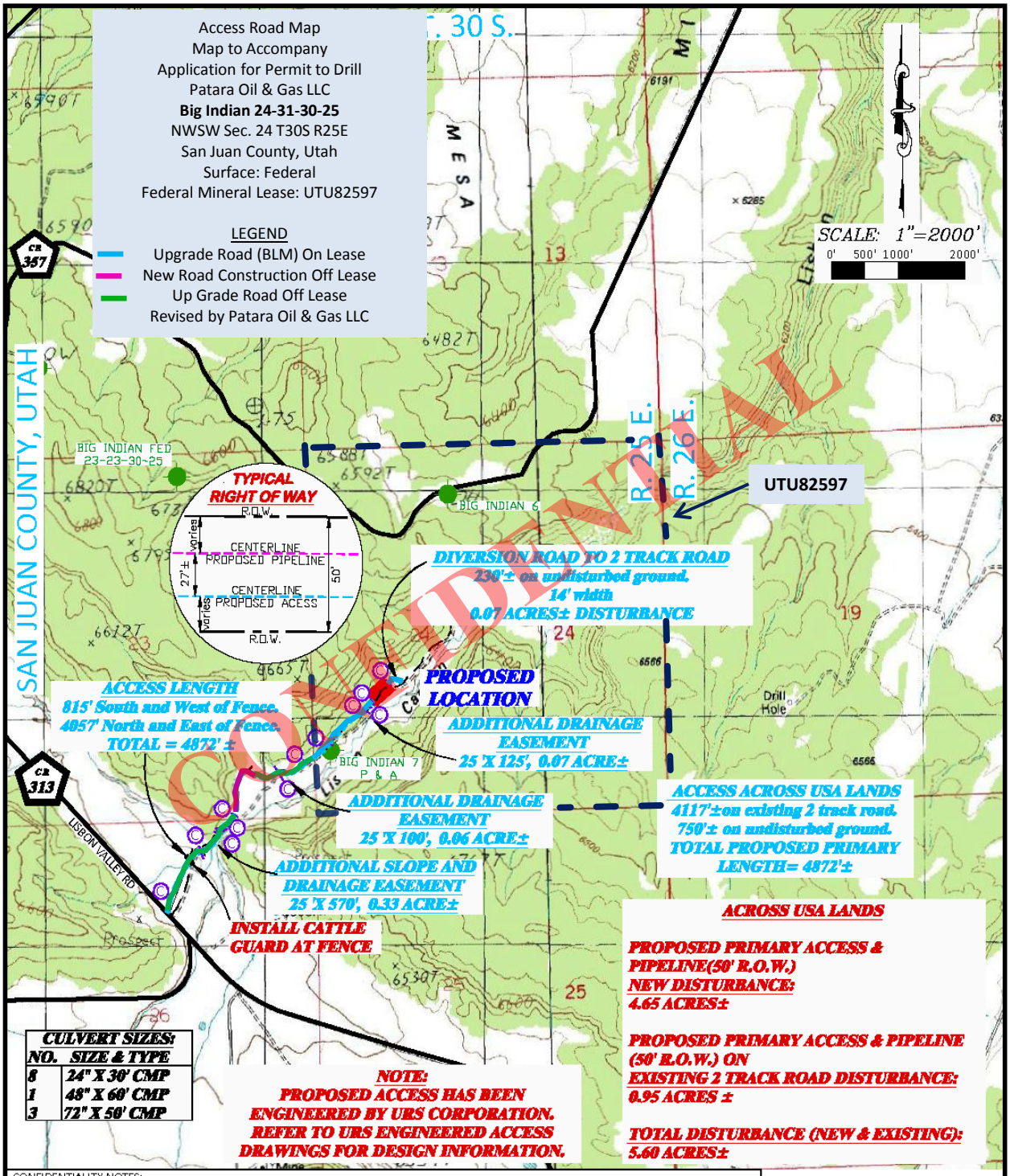
PROPOSED PIPELINE
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25
NW4SW4 OF SECTION 24, T.30S., R.25E., SLM, SAN JUAN COUNTY, UTAH
TOTAL PROPOSED LENGTH: 4850'±

JOB NO: 2011900.011
DATE DRAWN - BY: 10/10/12- rcr
REVISIONS: Remove preliminary stamp. 12/21/12 rcr
SCALE: 1" = 2000'
EXHIBIT 5 PAGE 1 OF 1

LEGEND
COUNTY ROAD CR 313
EXISTING ROAD
PROPOSED PIPELINE
PROPOSED WELL PAD
EXISTING WELL

RECEIVED: December 21, 2012

API Well Number: 43037500410000



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GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
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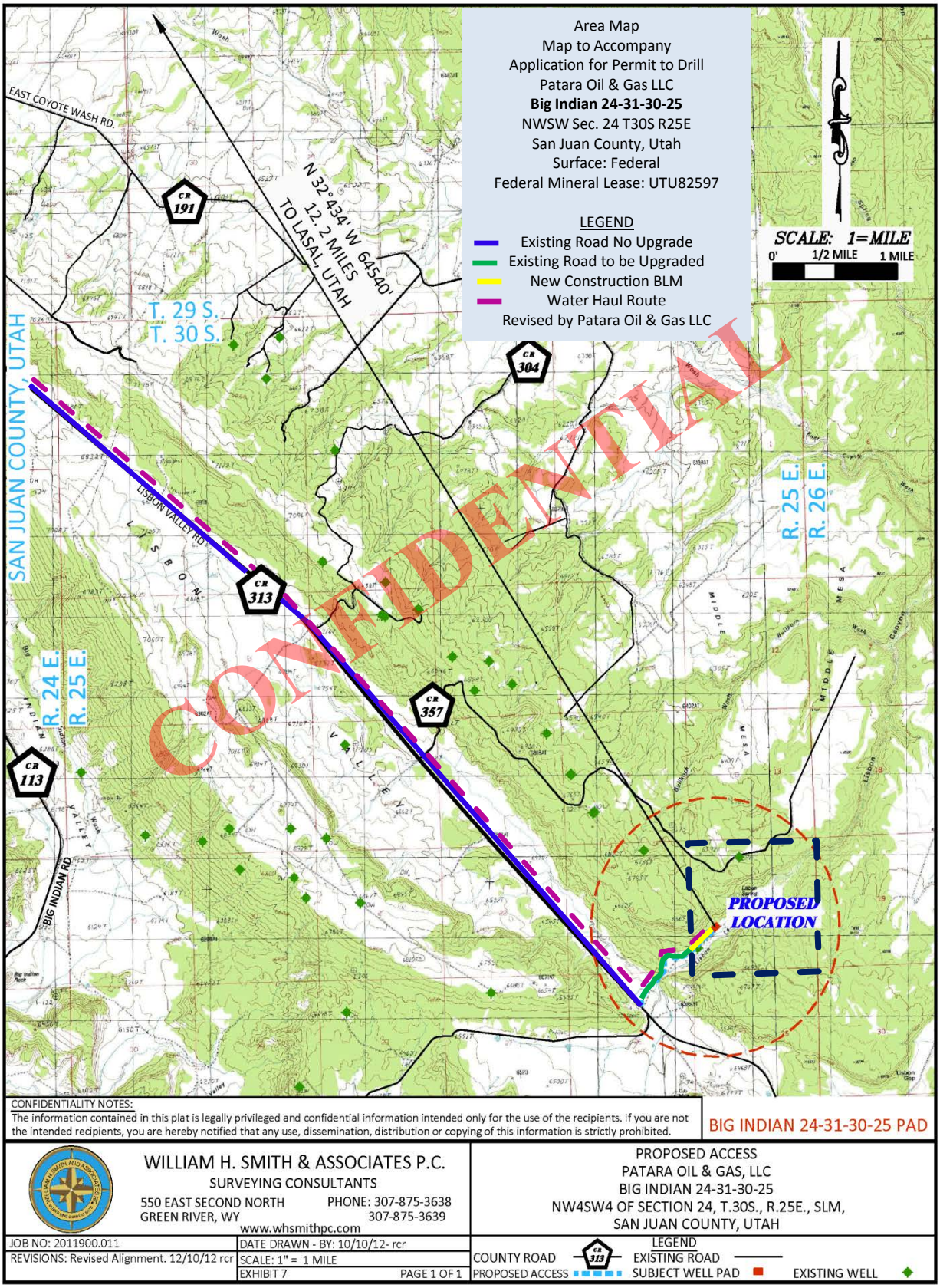
PROPOSED ACCESS
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25
NW4SW4 OF SECTION 24, T.30S., R.25E., SLM, SAN JUAN COUNTY, UTAH
TOTAL PROPOSED LENGTH: 4872'± primary, 230'± reroute to 2 track

JOB NO: 2011900.011	DATE DRAWN - BY: 10/10/12- rcr
REVISIONS: ADD URS note. 12/21/12 rcr	SCALE: 1" = 2000'
	EXHIBIT 6 PAGE 1 OF 1

LEGEND
COUNTY ROAD
PROPOSED ACCESS
EXISTING ROAD
PROPOSED WELL PAD
INSTALL CUVLERT
EXISTING WELL


Area Map
Map to Accompany
Application for Permit to Drill
Patara Oil & Gas LLC
Big Indian 24-31-30-25
NWSW Sec. 24 T30S R25E
San Juan County, Utah
Surface: Federal
Federal Mineral Lease: UTU82597
LEGEND
Existing Road No Upgrade
Existing Road to be Upgraded
New Construction BLM
Water Haul Route
Revised by Patara Oil & Gas LLC
SCALE: 1=MILE
0' 1/2 MILE 1 MILE
N 32°434' W 64540'
12. 2 MILES
TO LASAL, UTAH
EAST COYOTE WASH RD.
CR 191
CR 304
CR 313
CR 357
CR 113
T. 29 S.
T. 30 S.
R. 24 E.
R. 25 E.
R. 25 E.
R. 26 E.
SAN JUAN COUNTY, UTAH
LISBON VALLEY RD.
BIG INDIAN RD
PROPOSED LOCATION
CONFIDENTIAL
CONFIDENTIALITY NOTES:
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BIG INDIAN 24-31-30-25 PAD
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PROPOSED ACCESS
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25
NW4SW4 OF SECTION 24, T.30S., R.25E., SLM,
SAN JUAN COUNTY, UTAH
JOB NO: 2011900.011
DATE DRAWN - BY: 10/10/12- rcr
REVISIONS: Revised Alignment. 12/10/12 rcr
SCALE: 1" = 1 MILE
EXHIBIT 7
PAGE 1 OF 1
LEGEND
COUNTY ROAD
EXISTING ROAD
PROPOSED ACCESS
SUBJECT WELL PAD
EXISTING WELL

API Well Number: 43037500410000

Patara Oil & Gas LLC

BIG INDIAN - San Juan County, UT (NAD 27)
Sec 23-T30S-R25E
Big Indian 24-31

Original Wellbore

Plan: PreDrill Rev 0

Standard Planning Report

05 December, 2012

RECEIVED: December 21, 2012

Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Site Sec 23-T30S-R25E
Company:	Patara Oil & Gas LLC	**TVD Reference:**	RIG @ 6326.0usft
Project:	BIG INDIAN - San Juan County, UT (NAD 27)	**MD Reference:**	RIG @ 6326.0usft
Site:	Sec 23-T30S-R25E	**North Reference:**	True
Well:	Big Indian 24-31	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	PreDrill Rev 0		

Project BIG INDIAN - San Juan County, UT (NAD 27)

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site Sec 23-T30S-R25E

Site Position:		**Northing:**	564,461.78 usft	**Latitude:**	38° 9' 39.938 N
From:	Lat/Long	**Easting:**	955,542.13 usft	**Longitude:**	109° 8' 0.438 W
Position Uncertainty:	0.0 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	-2.23 °

Well Big Indian 24-31

Well Position	**+N/-S**	0.0 usft	**Northing:**	564,461.78 usft	**Latitude:**	38° 9' 39.938 N
	+E/-W	0.0 usft	**Easting:**	955,542.13 usft	**Longitude:**	109° 8' 0.438 W
Position Uncertainty		0.0 usft	**Wellhead Elevation:**		**Ground Level:**	6,311.0 usft

Wellbore Original Wellbore

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/4/2012	10.46	64.39	51,252

Design PreDrill Rev 0

Audit Notes:

Version:		**Phase:**	PROTOTYPE	**Tie On Depth:**	0.0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.0	0.0	0.0	207.41

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.00	0.00	0.00	0.00	
2,931.0	24.93	207.41	2,905.0	-158.0	-81.9	3.00	3.00	0.00	207.41	
5,241.2	24.93	207.41	5,000.0	-1,022.4	-530.1	0.00	0.00	0.00	0.00	BHL_Target

Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Site Sec 23-T30S-R25E
Company:	Patara Oil & Gas LLC	**TVD Reference:**	RIG @ 6326.0usft
Project:	BIG INDIAN - San Juan County, UT (NAD 27)	**MD Reference:**	RIG @ 6326.0usft
Site:	Sec 23-T30S-R25E	**North Reference:**	True
Well:	Big Indian 24-31	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	PreDrill Rev 0		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	800.0	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	3.00	207.41	2,199.9	-2.3	-1.2	2.6	3.00	3.00	0.00
2,300.0	6.00	207.41	2,299.6	-9.3	-4.8	10.5	3.00	3.00	0.00
2,400.0	9.00	207.41	2,398.8	-20.9	-10.8	23.5	3.00	3.00	0.00
2,500.0	12.00	207.41	2,497.1	-37.1	-19.2	41.7	3.00	3.00	0.00
2,600.0	15.00	207.41	2,594.3	-57.8	-30.0	65.1	3.00	3.00	0.00
2,700.0	18.00	207.41	2,690.2	-83.0	-43.0	93.5	3.00	3.00	0.00
2,800.0	21.00	207.41	2,784.4	-112.6	-58.4	126.9	3.00	3.00	0.00
2,900.0	24.00	207.41	2,876.8	-146.6	-76.0	165.1	3.00	3.00	0.00
2,931.0	24.93	207.41	2,905.0	-158.0	-81.9	177.9	3.00	3.00	0.00
3,000.0	24.93	207.41	2,967.6	-183.8	-95.3	207.0	0.00	0.00	0.00
3,100.0	24.93	207.41	3,058.3	-221.2	-114.7	249.2	0.00	0.00	0.00
3,200.0	24.93	207.41	3,149.0	-258.6	-134.1	291.3	0.00	0.00	0.00
3,300.0	24.93	207.41	3,239.6	-296.1	-153.5	333.5	0.00	0.00	0.00
3,400.0	24.93	207.41	3,330.3	-333.5	-172.9	375.6	0.00	0.00	0.00
3,500.0	24.93	207.41	3,421.0	-370.9	-192.3	417.8	0.00	0.00	0.00
3,600.0	24.93	207.41	3,511.7	-408.3	-211.7	459.9	0.00	0.00	0.00
3,700.0	24.93	207.41	3,602.4	-445.7	-231.1	502.1	0.00	0.00	0.00
3,800.0	24.93	207.41	3,693.1	-483.2	-250.5	544.2	0.00	0.00	0.00
3,900.0	24.93	207.41	3,783.7	-520.6	-269.9	586.4	0.00	0.00	0.00
4,000.0	24.93	207.41	3,874.4	-558.0	-289.3	628.5	0.00	0.00	0.00
4,100.0	24.93	207.41	3,965.1	-595.4	-308.7	670.7	0.00	0.00	0.00
4,200.0	24.93	207.41	4,055.8	-632.8	-328.1	712.8	0.00	0.00	0.00
4,300.0	24.93	207.41	4,146.5	-670.2	-347.5	755.0	0.00	0.00	0.00
4,400.0	24.93	207.41	4,237.2	-707.7	-366.9	797.1	0.00	0.00	0.00
4,500.0	24.93	207.41	4,327.8	-745.1	-386.3	839.3	0.00	0.00	0.00
4,600.0	24.93	207.41	4,418.5	-782.5	-405.7	881.4	0.00	0.00	0.00
4,700.0	24.93	207.41	4,509.2	-819.9	-425.1	923.6	0.00	0.00	0.00
4,800.0	24.93	207.41	4,599.9	-857.3	-444.5	965.7	0.00	0.00	0.00
4,900.0	24.93	207.41	4,690.6	-894.8	-463.9	1,007.9	0.00	0.00	0.00
5,000.0	24.93	207.41	4,781.2	-932.2	-483.3	1,050.0	0.00	0.00	0.00
5,100.0	24.93	207.41	4,871.9	-969.6	-502.7	1,092.2	0.00	0.00	0.00
5,200.0	24.93	207.41	4,962.6	-1,007.0	-522.1	1,134.3	0.00	0.00	0.00

Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Site Sec 23-T30S-R25E
Company:	Patara Oil & Gas LLC	**TVD Reference:**	RIG @ 6326.0usft
Project:	BIG INDIAN - San Juan County, UT (NAD 27)	**MD Reference:**	RIG @ 6326.0usft
Site:	Sec 23-T30S-R25E	**North Reference:**	True
Well:	Big Indian 24-31	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Wellbore		
Design:	PreDrill Rev 0		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,241.2	24.93	207.41	5,000.0	-1,022.4	-530.1	1,151.7	0.00	0.00	0.00
BHL_Target									

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
BHL_Target - plan hits target center - Circle (radius 50.0)	0.00	357.77	5,000.0	-1,022.4	-530.1	563,460.73	954,972.66	38° 9' 29.830 N	109° 8' 7.075 W

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API Well Number: 43037500[illegible] PATARA OIL & GAS LLC

Project: BIG INDIAN - San Juan County, UT (NAD 27)
Site: Sec 23-T30S-R25E
Well: Big Indian 24-31
Wellbore: Original Wellbore
Design: PreDrill Rev 0

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0
2	2100.0	0.00	0.00	2100.0	0.0	0.0	0.00	0.00	0.0
3	2931.0	24.93	207.41	2905.0	-158.0	-81.9	3.00	207.41	177.9
4	5241.2	24.93	207.41	5000.0	-1022.4	-530.1	0.00	0.00	1151.7

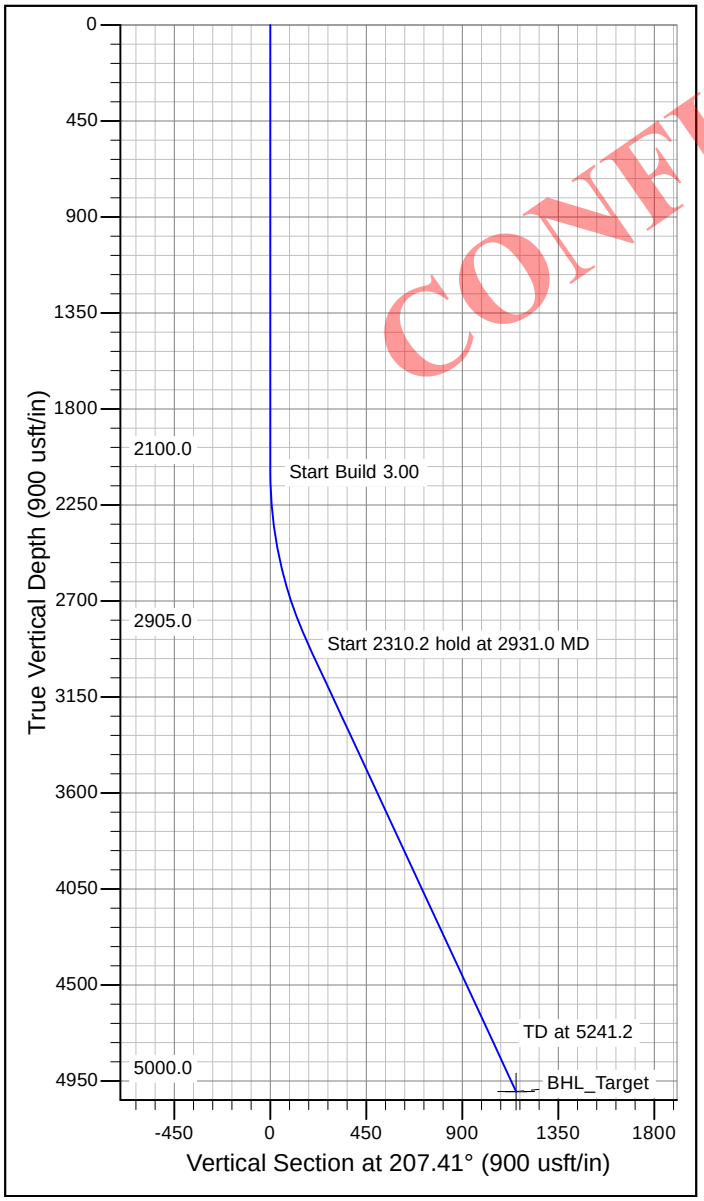
WELL DETAILS: Big Indian 24-31

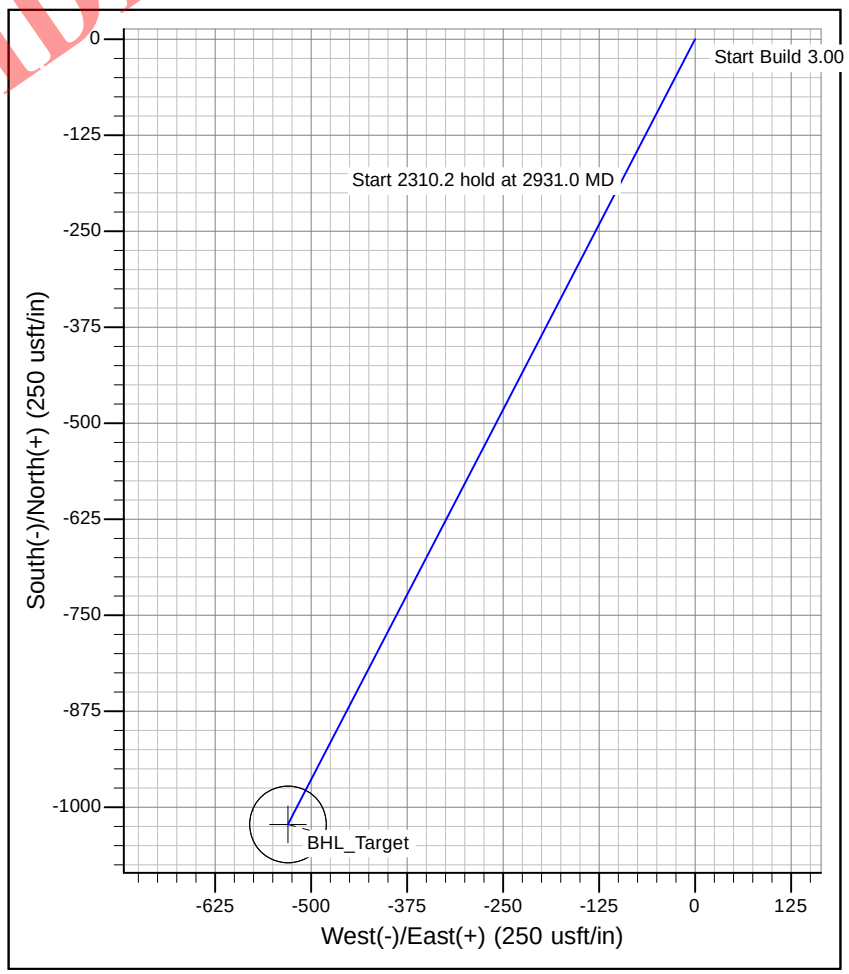
Ground Level: 6311.0

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.0	0.0	564461.78	955542.13	38° 9' 39.938 N	109° 8' 0.438 W

DESIGN TARGET DETAILS

TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
5000.0	-1022.4	-530.1	563460.73	954972.66	38° 9' 29.830 N	109° 8' 7.075 W





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CONFIDENTIAL

PATARA OIL & GAS LLC
BIG INDIAN 24-31-30-25 SURFACE USE PLAN OF OPERATIONS

Surface:	1,769' FSL and 1,070' FWL	NWSW Section 24 TWN 30S, RNG 25E
Bottom Hole:	773' FSL and 515' FWL	SWSW Sec 24 TWN 30S, RNG 25E

Federal Lease #: UTU82597

The Big Indian 24-31-30-25 is an exploratory well that will be drilled from a new location in San Juan County, Utah. All road, well pad, and pipeline construction and operation will take place on lease # UTU82597. All operations connected with construction, drilling, completion, and production will conform to applicable federal, state, and local regulations, including all Onshore Orders. Construction and maintenance operations will be performed in consideration of best management practices (BMPs) provided in the Bureau of Land Management's (BLM) Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development Gold book, 4th Edition (2007).

The location was staked on October 15, 2011, by D.R. Griffin and Associates, Inc., surveyor. A Notice of Staking (NOS) was submitted to BLM in Moab, Utah via the Well Information System on May 17, 2011. An onsite inspection was conducted by the BLM for the subject well on May 25, 2011. During this inspection, specific details involving the location of the well pad on the cliff above Lisbon Canyon and lengthy access road route were discussed. The BLM and Patara agreed to consider an alternate well pad location located below the cliff due to archaeological and reclamation concerns that would result from the initial well pad location. The alternate location visited during the same onsite inspection and the agency and Patara agreed that this location would have a shorter access road along an existing route and seemed to present greater opportunities for successful reclamation.

A second NOS was submitted on October 10, 2012. An onsite inspection for the second location was held on November 29, 2012. In attendance were: Theresa Garcia, Danny White, Dee Foote, Jay Allen, and Danielle Gavito (Patara Oil & Gas); Cliff Giffen (Bureau of Land Management [BLM], Monticello Field Office); Rock Smith, Lisa Bryant, Don Montoya, Eric Jones, Aron King, Ann-Marie Aubry, and Pam Riddle (BLM, Moab Field Office); Scott Carson (Smiling Lake Consulting); Carl Conner (Grand River); Chris Gayer, Nick Hall (Grasslands); and Ron Rennke (W.H. Smith). Site-specific information requested by the BLM at that time has been included within this Surface Use Plan.

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A. EXISTING ROADS

The proposed well site is located approximately 18 miles southeast of the town of La Sal in San Juan County, Utah. The location can be reached by following the directions below.

1. Patara will improve or maintain existing roads in a condition that is the same as or better than before operations began. Upgraded roads will be maintained to the resource road standard during drilling, completion, and production operations, until final abandonment.
2. From the town of La Sal, travel west on Utah State Highway 46 for approximately 2.5 miles to the intersection with San Juan County Road 113 (Big Indian Road). Turn left and travel south on Big Indian Road for 5.7 miles to the intersection with County Road 313 (Lisbon Valley Road). Turn left and travel southeast for 8.8 miles to the intersection with the staked access for the proposed Big Indian 24-31-30-25 well. Turn left and travel northeast from the paved road to the beginning of the access road on the Class D San Juan County Road. Please see Exhibit 7.

B. NEW OR RECONSTRUCTED ACCESS ROADS

All new, reconstructed, or upgraded roads will be located, designed, and maintained to meet the standards of the BLM during drilling, completion, and production operations. The new and reconstructed roads will conform to resource road standards specified in BLM Road Manual 9113, employing the minimum guidelines and BMPs contained the Gold book. Road designs have been based on the road safety requirements, traffic characteristics, environmental conditions, and the vehicles the road is intended to carry.

New access road(s) will be staked prior to construction. Road construction and maintenance will include, but is not limited to, blading, ditching, culvert installation and cleanout, gravel surfacing where excessive rutting or erosion may occur and dust control, as necessary to ensure safe operating conditions. Salvaging and spreading topsoil will not be performed when the ground or topsoil is frozen or too wet to adequately support construction equipment. Patara will maintain the access road as necessary to prevent soil erosion, and accommodate year-round all-weather traffic.

All vehicular traffic, personnel movement, construction/restoration operations will be confined to the approved area, including the well pad and approved access route. No pullouts or off-road parking will be allowed unless specifically approved by the Authorized Officer (AO). Creation of short-cuts by vehicles operated by Patara or its contractors on roads not approved as an access road in the APD will not be allowed.

Dust will be controlled on the access road and well pad as needed by periodic application or water, surfactant, and/or road-surfacing material. Patara will obtain approval from the AO prior to using materials other than water.

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Snow removal and drainage ditch maintenance will be performed on an as-needed basis to accommodate safe travel and maintain functionality. Removed snow may be stored on the approved well pad and/or at the spatial extent of approved disturbance boundaries to facilitate snow removal for the remainder of the season. The access road right-of-way will be kept free of trash during all operations.

Access to the proposed access route will utilize an existing Class D San Juan County 2-track road that will require reconstruction along some segments and upgrades along the remainder of the road to ensure safe access. Details of the road reconstruction are included in the professionally prepared engineered road plan (incorporated as part of this APD submittal). Road reconstruction would allow the installation of three large culverts. Re-routes would provide an entry and exit from the well pad, connecting to the upgraded Class D road.

Portions of the Class D road that will be abandoned after construction of the re-routes will be blocked off to prevent future vehicle travel and reclaimed. The existing large rock on the western edge of the pad will remain in place. A 380-foot long fence and/or berm will be constructed adjacent to the access road to prevent public entry into the Lisbon Mine pit area. Total length of the access road will be 5,102 feet.

Type of Road Construction	Length (feet)
Existing Class D road that will require upgrades	4,117
New construction required for culvert installation and re-routes	985
Total access road length	5,102

- The access road and pipeline will require a construction width of 50 feet. The three larger drainage crossings which are proposed for the 48” and 72” CMP culverts will require an additional 25 feet of construction width at those areas for a total of 75 feet of construction width over a total length of 795 feet.
- The travel surface of the upgraded/new/reconstructed access roads is proposed to be 16 feet. A width of 16 feet is needed to ensure that drilling and completion equipment will be able to safely access the location and for two vehicles to pass each other safely on the road while remaining within the travel surface.
- The grade for the access road will not exceed 8%.
- All segments of the access road, including the upgraded Class D road and new/reconstructed segments, will be crowned and ditched to facilitate drainage from the surface.
- Turnouts will not be constructed along the access road.

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- The access road, pipeline, and well pad will be located on residuum and alluvium in Lisbon Canyon between the ephemerally flowing active channel that travels generally southward and rock cliffs that define the canyon on its west side. Gold Book BMPs, erosion control measures received as direction from the AO, and procedures detailed in Patara's Master Stormwater Management Plan, Paradox Basin (2010), will be followed in the construction and operation of the access road, well pad, and pipeline. The Master Stormwater Management plan is incorporated as part of this APD in its entirety and is attached. Erosion control measures will be implemented to reduce sediment laden run-off and accelerated erosion from unstable soils resulting from construction or reclamation activities. Erosion control may include water bars, lateral furrows, wing ditches, or other appropriate measures. Woody vegetative debris, weed free straw bales and/or fabric silt fence will be placed at the toe of fill slopes along the access road. Borrow ditches will be backsloped 3:1 or less. Drainage control features will be constructed or installed prior to commencing other operations, including drilling operations or facilities placement, and will be maintained until adequate vegetation is established to stabilize the soil surface.
- Revegetation of disturbed areas will take place within six months of the well being put on production. Final reclamation and revegetation will take place after the well is abandoned. All vegetative materials (trees, sagebrush) to be cut down for construction of road and well pad will be stockpiled on the northwest/north side of the pad above the stockpiled excess material for use during final reclamation operations. Stockpiled topsoil will be kept separate from other excavated material.
- See Exhibit 6 and attached Engineered Road Plan for the location and size of culverts. A total of 12 corrugated metal pipe (CMP) culverts will be installed at 11 locations along the access road, three of which will be large capacity culverts (detail below). Eight 18-inch or 24-inch culverts will be installed at smaller drainages along the access road. Culverts were engineered to accommodate stormwater flows from between 3-4 years up to 100 year events.

Culvert Location	Diameter/Length	Return Period	Flow Capacity
Drainage crossing #1	72" x 48' CMP	3-4 year	276 CFS
Drainage crossing #2	Two 72" x 61' CMP	5 year	575 CFS
Drainage crossing #3	48" x 75' CMP	100 year	122 CFS
All others	18" or 24" as required; lengths as needed	5 year	20 CFS

- One barbed wire fence will be cut approximately 850 feet after the access road leaves Lisbon Valley Road (CR 313) and will be replaced with a new cattleguard.

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- Large cuts and fill materials will be used at drainage crossings along the access road where large culverts will be installed to construct a level running surface.
- Approximately 6 inches of topsoil, or the amount available, will be stockpiled along the route.
- The access road and well pad will be surfaced with gravel or other suitable all-weather material.

C. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS

Please refer to Exhibit 7.

D. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES

Well Pad

See Exhibit 2 pages 1 and 2. The well pad would be newly constructed using native materials to an approximate size of 4.9 acres, including the area needed for cut, fill, excess material storage, topsoil storage, and stormwater management. The well pad was sized to accommodate the drill rig and associated equipment and supplies, and permit safe drilling and completion operations.

Trees cleared from the well site will be reserved within the maximum disturbed area for use during interim and final reclamation. A 75-foot cut and 17-foot fill (approximate) will be required to construct the well pad. Topsoil will be stripped to a minimum depth of 6 inches or to the depth of all growth medium above sub-soils. Topsoil storage will take the form of a perimeter berm and will be seeded to maintain viability. Approximately 6 inches of topsoil, or the amount available, will be stockpiled south of and separate from excess materials west of the well pad on the cut slope. The distinct stockpiles will be clearly separated. Slash will be placed in piles to the northwest and adjacent to the excess material and topsoil piles.

A diversion ditch will be constructed adjacent to the excess material pile on the cut, downslope from the pile. The diversion ditch will extend around the well pad on the northwest, north, east, south, and southwest sides to direct stormwater around the well pad to sediment traps that will be constructed from residual construction materials on the southeast side of the well pad. Sediment traps will be inspected to ensure that their integrity is maintained and will be cleaned out as needed to retain functionality. A berm will be constructed to surround a solids pile (drill cuttings) located on the west side of the well pad. A berm will also be constructed along the perimeter of the well pad on the southeast side between the pad and the diversion ditch.

If the well is put on production, the excess materials pile and the solids pile on the west side of the drill pad will be used, if suitable, to restore the portion of the well pad not needed for production operations to approximate original contours. The drainage ditch to the west side

of the well pad will remain in place. The berms constructed for drilling operations will also remain in place; however, a new berm will be constructed on the southeast side of the well pad after interim reclamation reduces the spatial extent of the well pad. Approximately 2.04 acres will be reclaimed during interim reclamation operations, leaving 2.86 acres in use for production operations. See Exhibit 2, page 3.

All above ground permanent structures will be painted Pantone Supplemental Environmental Color Covert Green, or as specified by the AO, to blend with the surrounding landscape. Facilities required to comply with Occupation Health and Safety Act Rules and Regulations will be excluded from this painting requirement.

All-weather gravel surfacing will be distributed on the well pad surface used by vehicles and, if necessary, the area of the well pad on which the production equipment will be installed. A berm will be constructed to surround production vessels, including production fluid storage tanks and the separator. Secondary containment trays will also be installed for all chemical containers and will be promptly emptied of spills or precipitation. Trays will be equipped with protection devices to prevent animals from gaining access to contents. All chemical containers will be properly labeled and Material Safety Data Sheets placed at the containers. The tallest structure will be no greater than 20 feet in height. Open stacks/vents shall be appropriately screened to prevent entry by birds.

All regulations pertaining to site security will be followed. All product lines entering and leaving hydrocarbon storage tanks will be sealed in accordance with 43 CFR 3162.7-5 (b.4.). Venting or flaring of gas will be done in accordance with Notice of Lessees (NTL) 4A after receipt of approval from the AO. All undesirable events (fires, accidents, blowouts, spills, discharges) will be reported to the AO according to NTL-3A. Major events will be reported verbally within 24 hours, followed by a written report within 15 days. “Other than Major Events” will be reported in writing within 15 days. “Minor Events” will be reported on the Monthly Report of Operations and Production (43 CFR 3160-6).

Pipeline

A 4-inch steel pipeline will be installed aboveground to transport natural gas from the well pad to an existing 8-inch gas pipeline. See Exhibit 5. The pipeline will be installed adjacent to and west/northwest of the access road for an approximate distance of 4,850 feet. A 50-foot wide construction corridor will be needed for both pipeline installation and construction of the upgraded/re-routed access road with the exception of three drainage crossings which will need an additional 25 feet of construction width for the installation of the larger sized culverts. The surface will not be bladed or graded for the installation of the pipeline. Disturbance to existing vegetation, including trees, will be minimized along the pipeline route to the extent possible. Because the aboveground pipeline will be constructed adjacent

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and parallel to the access road, it will be welded/fused on the road and then lifted from the road to the pipeline route.

E. LOCATION AND TYPES OF WATER SUPPLY

Water used for drilling will be obtained from either Redd-Agra or the Lisbon Gas Plant under existing permits. Water used for completion will be obtained from Reams Construction from Naturita, Colorado under existing permits. Patara will notify the AO if a source other than those identified in this SUPO may need to be used. Water will be transported by truck over roads shown on Exhibit 7.

Approximately 2,000 barrels of fresh water will be used for drilling operations and 1,500 barrels for completion operations, or 3,500 barrels in total.

F. CONSTRUCTION MATERIALS

Construction operations will be completed with native materials found on location. Access road and well pad surfacing materials will be obtained from available permitted sources and consist of pit gravel.

G. METHODS FOR HANDLING WASTE

A closed loop drilling mud system will be used. A solids pile will be constructed on the west side of the well pad to temporarily store drill cuttings. It will be surrounded on all sides by a 2-foot berm to provide total containment. See Exhibit 2, pages 1 and 2. When drilling operations are complete, the cuttings will be tested for suitability for use in interim reclamation operations. If determined to be unsuitable, the cuttings will be transported by truck to an approved disposal facility.

Natural gas from completion/testing operations will be flared from a stack located on the northwest corner of the well pad, located a minimum of 100 feet from the wellbore.

Fluids produced during drilling, completion, and testing operations will be placed in test tanks on the well pad. Disposal of produced fluids will be done in accordance with Onshore Order # 7. Patara will not dispose of produced water unless and until approval is obtained from the AO. All produced water will be disposed of using an acceptable method approved by the AO.

Sewage disposal facilities will be in accordance with State and Local Regulations. Sewage may not be buried on location or put in a borehole. Utah Department of Health (UDH) Regulations prevent this unless a UDH Permit is obtained.

Garbage, trash and other waste materials will be collected in a portable, self-contained and fully-enclosed trash cage during drilling and completion operations. Upon completion of operations (or as needed), the accumulated trash will be disposed of at an authorized

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sanitary landfill. At no time will trash will be burned on location or placed in pits or bore holes.

Upon release of the drilling rig, rathole and mousehole will be filled. Debris and equipment not required for production will be removed.

H. ANCILLARY FACILITIES

Ancillary facilities are not planned for this well.

I. WELL SITE LAYOUT

The BLM will be contacted prior to construction of production facilities. See Exhibit 2, page 3 showing the anticipated production facilities layout.

The location, orientation and spatial extent of the drill pad, access road ingress/egress points, drilling rig, berms, drainage ditches, existing wells, proposed cuts and fills, topsoil and excess material stockpiles, slash piles, and production infrastructure are depicted on Exhibit 2, pages 2 and 3. Patara's plan to drill this well with a closed loop mud system is shown in Exhibit 2, page 2. One-to-four trailers may be required on location during drilling operations, for use by the drilling crew. The trailers will be placed adjacent to the drilling rig, and a safe minimum distance from all operational equipment and will be removed if the well is put on production. No permanent living facilities are planned (refer to the rig location layout plat). Patara will install a sign or marker at the entrance of the well pad with the name of the operator, lease serial number, well number, and legal location of the well.

J. PLANS FOR SURFACE RECLAMATION

The goal of interim and final reclamation is to achieve, to the extent possible, final reclamation standards, including the development of a self-sustaining, vigorous native and/or desirable vegetation community with a density sufficient to provide a stable soil surface and inhibit the growth of noxious and/or invasive species.

Reclamation operations will be designed to return the disturbed area to productive use and meet the resource objectives of the land. Surface reclamation will be conducted in two phases: interim and final. Interim reclamation will be performed following well completion and extends through the period of production. Interim reclamation will be performed on disturbed areas not required for production operations. Final reclamation will be performed following the well is plugged and abandoned. Reclamation operations in both phases may include, but is not limited to, the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, topsoil and/or excess material redistribution, seeding and weed control. Earthwork for interim and/or final reclamation will be completed within six months of well completion or abandonment, weather permitting.

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The following seed mixture will be used for reclamation operations, unless modified by the AO:

Species	Variety or Cultivator	Pounds Pure Live Seed/Acre
Indian ricegrass	*Oryzopsis hymenoides*	3.0
Intermediate wheatgrass	*Agropyron intermedium*	3.0
Galleta grass	*Hillaria jamesii*	2.0
Fourwing saltbush	*Atriplex canescens*	2.0
Antelope Bitterbrush	*Purshia tridentata*	2.0
Forage Kochia	*Kochia prostrate*	1.0
Scarlet globemallow	*Sphaeralcea coccinea*	1.0
	Total seeding rate =	14 lbs. per acre

Interim Reclamation

Interim reclamation will reduce the size of the well pad to the minimum needed to conduct production operations (See Exhibit 2, page 3). It will be conducted on all areas of the new access road not required for vehicle travel and will include the area along the aboveground pipeline route. In the case of the Big Indian 24-31-30-25, interim reclamation will be also conducted on areas of where the existing road will be re-routed, or as directed by the AO. Procedurally, interim reclamation operations will be conducted in the following sequence:

1. Solids pile will be eliminated as stated in Section G – Methods for Handling Wastes.
2. The area not needed for production operations will be re-contoured utilizing excess material to achieve the original contour and grade or blend with the surrounding topography. Storm water management, re-vegetation requirements and visual resources shall be considered in re-contouring the site. Slopes will be reduced to 3:1 or shallower.
3. If necessary prior to spreading topsoil (limited top soil available), the seedbed will be prepared by ripping the rough grade to a depth of 18 - 24 inches on 12 - 24 inch spacing. The last pass will be ripped on the contour to promote water infiltration. No depressions will be left that would cause water to pool or pond.
4. All salvaged top soil will be spread and seeded, including cut/fill slopes and borrow ditches. If top soil remains in a stock pile after being spread over reclaimed areas, the topsoil pile will be seeded to promote soil viability. If the salvaged top soil volume is inadequate to cover the entire reclaimed area, it will be spread in the following priority: south slopes, west slopes, east slopes, north slopes, and shallow slopes.
5. Final seedbed preparation will depend on the condition of the soil surface and will include scarifying a crusted soil surface or roller packing an excessively loose soil surface.

6. Seeding will occur no more than 24 hours after final seedbed preparation. Seed will be certified weed free, minimum germination rate of 80 percent, and minimum purity of 90 percent. Seed may be drilled or broadcast. Seed drills will be operated on the contour. If seed is broadcast the seeding rate will be doubled and the seed covered with some type of drag. Seed will be planted to the appropriate depth for the species, generally ¼ to ½ inch deep.
7. Trees cleared during site preparation and large rocks excavated during construction will be scattered across the interim reclamation area.
8. If noxious weeds become established along access roads, pipelines, or within the well pad disturbance, Patara will treat and control weeds with an approved herbicide. All control activities will be coordinated with the BLM prior to treatment.

Final Reclamation

Final reclamation will be performed on areas disturbed for the access road and the well pad where interim reclamation does not meet the standards for final reclamation. Procedurally, final reclamation operations will be conducted in the following sequence:

1. All weather surfacing material on the well pad and access road will be removed.
2. As appropriate, top soil will be salvaged and reserved for final reclamation.
3. Re-contouring, spreading of salvaged top soil, seed bed preparation, seeding, and scattering trees (woody debris) will be conducted as described for interim reclamation section.
4. Ripping of the rough grade, spreading salvaged top soil, seed bed preparation, seeding, erosion control, and scattering trees (woody debris) will be conducted as foe interim reclamation.
5. If necessary or as directed by the AO, reclaimed areas will be protected from livestock grazing by installing fences according to Gold Book stands (page 18) for two years or until vegetation becomes firmly established.
6. If noxious weeds become established within reclaimed areas, Patara will treat and control weeds with an approved herbicide. All control activities will be coordinated with the BLM prior to treatment.

Reclamation Monitoring and Assessment

Patara will monitor interim and final reclamation efforts and document the results in a reclamation monitoring report to be submitted to the AO annually. The report will:

- Document if reclamation objectives have been met or if objectives are likely to be met within a reasonable time.
- Identify additional actions that may be required to meet reclamation objectives within a reasonable time.

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- Document the acreage for: initial disturbance, successful interim reclamation, and successful final reclamation.

Interim and final reclamation will be considered successful if all of the following criteria are met:

- Seventy percent vegetative cover (basal for grasses; canopy for shrubs) of a comparable adjacent area.
- Ninety percent of the vegetative cover consists of species included in the seed mix or native species of the area.
- The vegetation established on the site provides erosion control where water naturally infiltrates into the soil, and gullying, headcutting, slumping, and deep or excessive drilling is not observed (Gold Book, page 43).

If additional reclamation efforts are identified in the reclamation report, Patara will coordinate these efforts in advance with the AO.

K. SURFACE OWNERSHIP

United States of America
Bureau of Land Management, Moab Field Office
82 East Dogwood
Moab, UT 84532
Phone: 435-259-2100

L. OTHER INFORMATION

- Geological justification for the proposed Big Indian 24-31-30-25 location:

The nearby plugged and abandoned Big Indian Unit 7 well location was evaluated by Patara as a possible surface location for the proposed well. However, it has been determined that it is not possible to directionally drill to the shallowest target (at 2,700 feet) from this surface location that is only 1,250 feet away. Assuming the well is kicked off at a depth of 500 feet and the angle is then built up at a rate of 3 degrees per 100 feet, the recommended maximum inclination of 30 degrees would be exceeded and the wellbore could not make the required turn to the targets. In addition, the well would have to then turn and follow the trapping fault in a southerly direction back towards the alternate surface location. The trapping fault dips at approximately 35 degrees and would require the well turning back on itself to encounter the deeper targets with a curve built at an angle of 25-30 degrees per 100 ft. This is impossible not only from a drilling standpoint, but also in regards to logging, completion, and production operations.

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The shallowest (and largest) target can only be reached from a wellbore beginning at the proposed surface location with a borehole angle of greater than 40 degrees. See schematic cross-section below.

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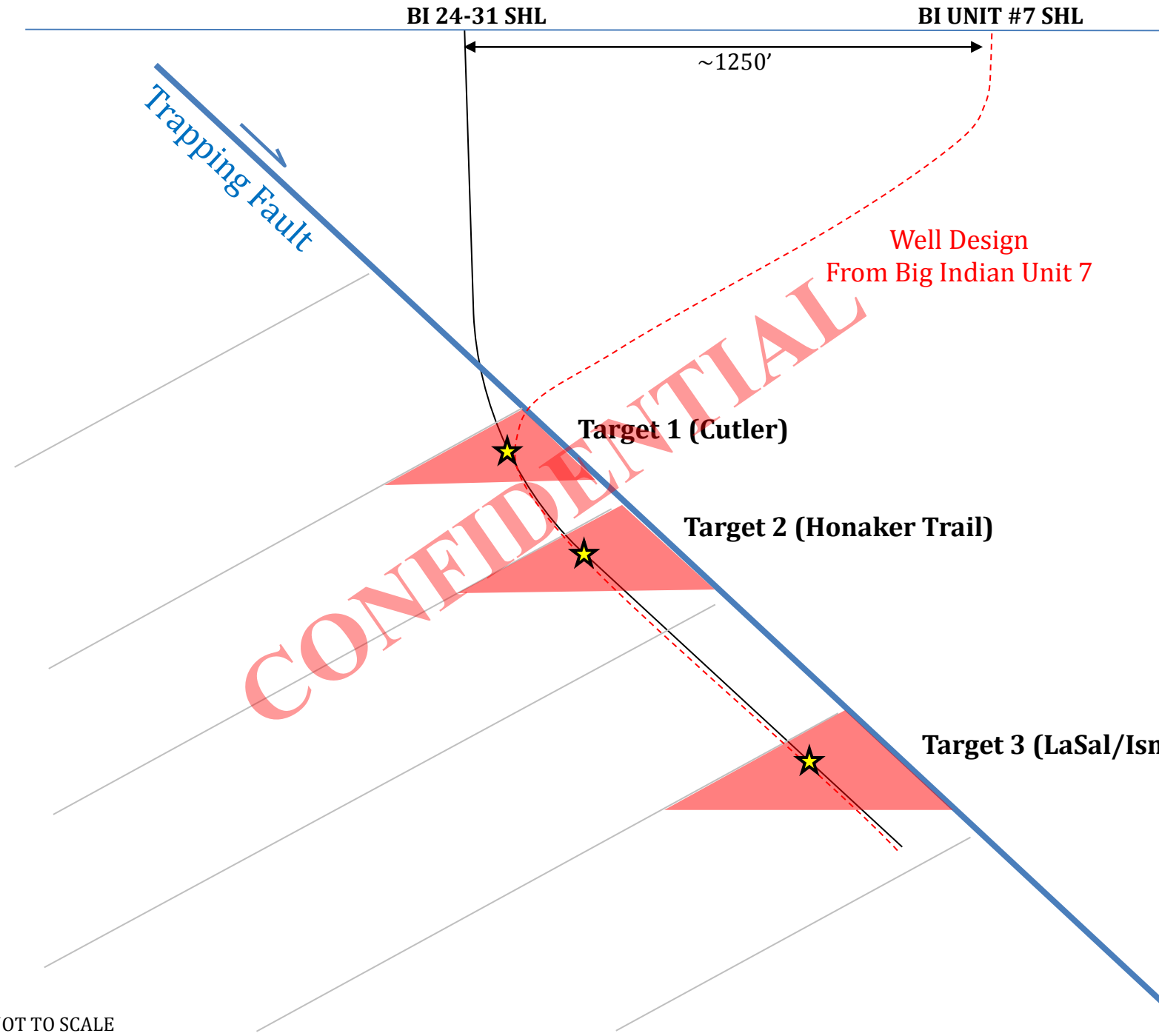

NOT TO SCALE

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- The project area is situated within a Public Water Reserve. Lease #UTU82597 predates the Moab Field Office 2008 Resource Management Plan, which applied a "No Surface Occupancy" stipulation within the preserve. Therefore, this stipulation does not apply to lease #UTU82597.
- The drill pad and access road are located approximately 2,130 feet from Lisbon Spring.
- Existing surface: 5 percent bedrock and 5 percent shrub cover.
- Existing flora: sagebrush along wash banks, grading into pinyon and juniper trees upslope toward cliffs.
- Fauna: none observed. The location will be subject to winter big game timing restrictions; i.e., no construction or drilling (11/15-4/15).
- Patara will be fully responsible for the actions of its subcontractors. A copy of the approved APD and Conditions of Approval will be on location during drilling and completion operations.
- Documentation of an archaeological, cultural and historical inventory will be submitted under separate cover.
- Patara assumes responsibility for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the AO. The AO will inform the operator as to the work needed to determine the following:

  - Whether the materials appear eligible for the National Register of Historic Places; The mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary).
  - A timeframe for the AO to complete an expedited review to acquire the State Historic Preservation Officer's concurrence that the findings of the AO are correct and that mitigation is appropriate.

- If any fossils are discovered during construction, the operator shall cease construction immediately and notify the AO so as to determine the significance of the discovery.
- Any construction activity in the areas will be done with awareness that many natural gas pipelines are buried. If excavation is necessary, contractors will determine the locations of all buried lines.
- Patara maintains a file, per 29 CFR 1910.1200(g), containing current MSDS for all chemicals, compounds, and/or substances that are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) that may be transported across project area lands may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or

combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous substances, EHS, and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

- Big game winter range timing limits for new construction and drilling will apply from 11/15 to 4/15, annually.
- An emissions inventory for the proposed well will be submitted under separate cover.

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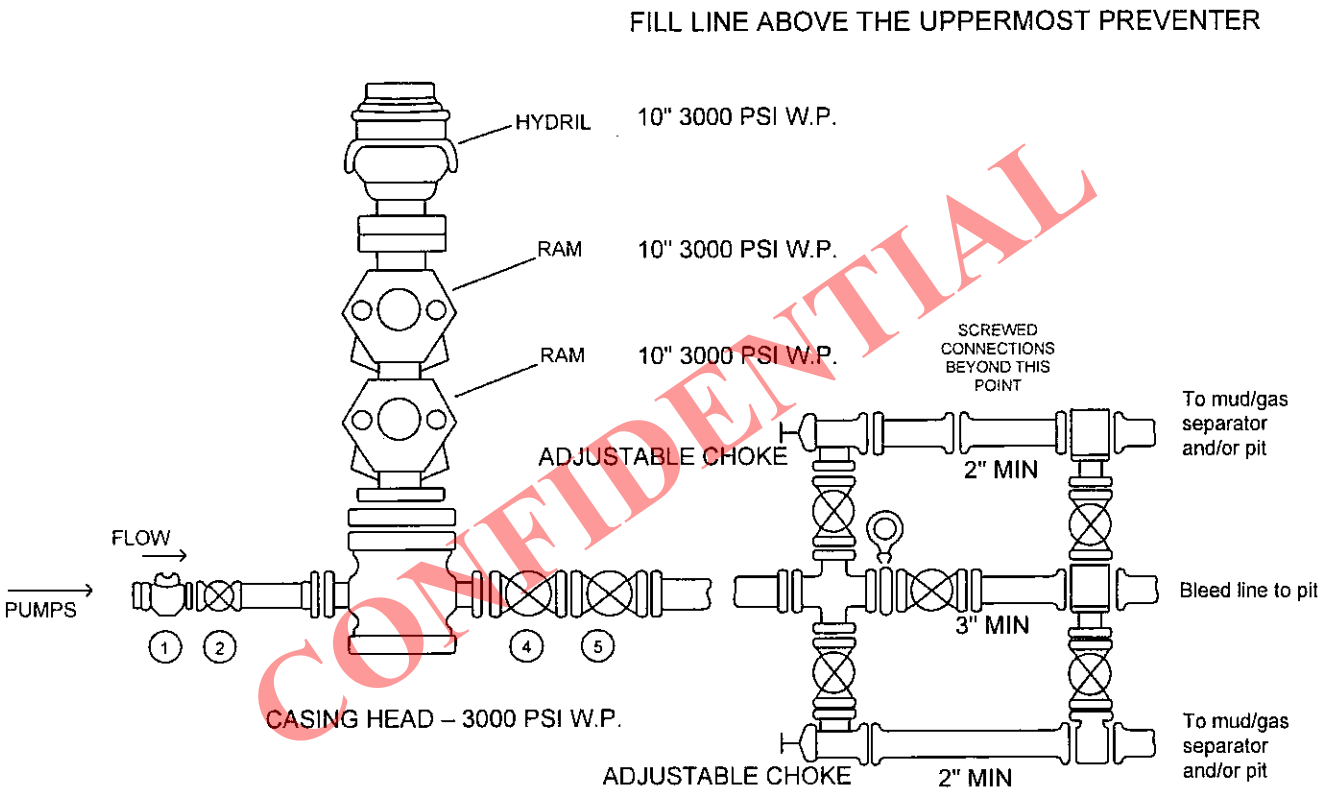
MINIMUM
BOP Requirements

3000 PSI W.P.



KILL LINE

Valve #1 – Flanged check valve
Full working pressure of BOP

Valve #2 – Flanged, minimum 2" bore
Full working pressure of BOP

CHOKE LINE

Valves #4 & 5 – Flanged minimum 3" bore

Full working pressure of BOP

(Note: An HCR can be used instead of Valve # 5)

GENERAL RULES AND RECOMMENDATIONS

All lines to manifold are to be at right angles (90 deg.). No 45 deg. angles are to be used.
Blind flanges are to be used for blanking.
All studs and nuts are to be installed on all flanges.

API Well Number: 43037500410000

Patara Oil & Gas LLC

600 17th Street, Suite 1900 S, Denver, CO 80202 Phone (303) 825-0685 . Fax (720) 235-4560

January 7, 2013

Ms. Diana Mason
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Rule R649-3-11. Directional Drilling
Big Indian 24-31-30-25
San Juan County, Utah

Dear Ms. Mason:

Reference is made to that certain application for permit to drill (APD) covering the captioned well, which well is presently surface located 1769' FSL and 1070' FWL of Section 24, T30S, R25E, S.L.M., and bottomhole located 773' FSL and 515' FWL of diagonal offset, San Juan County, Utah (surveyor plat enclosed). The bottomhole location for this well targets the Cutler and Honaker Trail formations. In accordance with state rule R649-3-11, Patara hereby respectfully requests an exception to said Location and Siting Wells rule and provides the following information in support thereof:

1.) Patara holds 100% of the oil and gas leasehold interest within a 460' radius of the proposed bottomhole location. Said leasehold is covered under Federal Oil and Gas Lease bearing the serial number UTU 82597, which covers ALL of section 24, of said township. The surface estate to the drillsite tract and mineral estate covered by said lease is part of the Federal Public Domain.

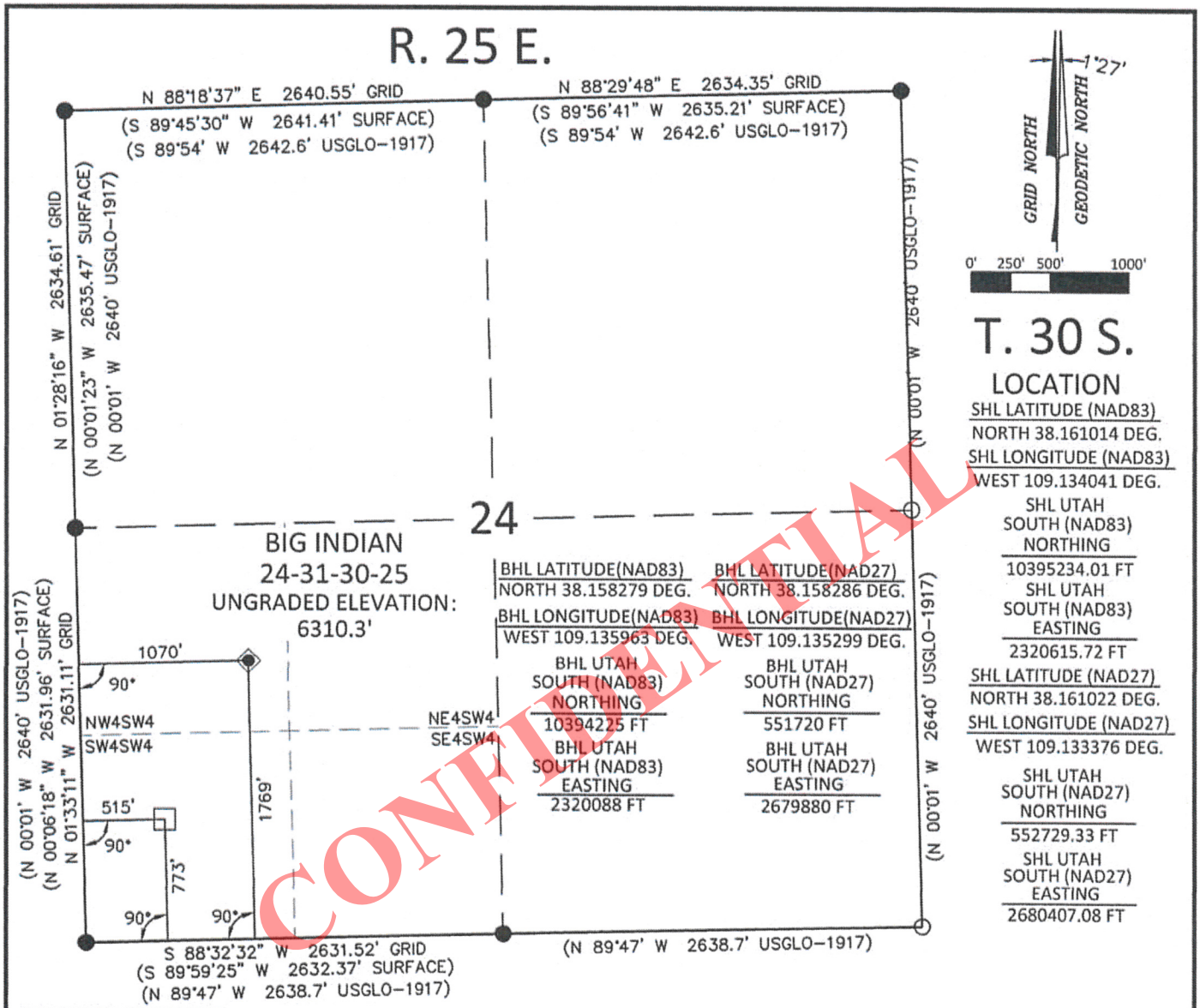
In consideration of the foregoing, we therefore respectfully request an exception to rule R649-3-2 for purposes of drilling the captioned well with a bottomhole at the location set forth in the APD. Should you have any questions, regarding this matter, please do not hesitate to give me a call at 303-563-5370.

Sincerely,
Patara Oil & Gas LLC

Kristin Tittle

Kristin Tittle
Land Technician

API Well Number: 43037500410000



SURVEYOR'S STATEMENT

I, William H. Dolinar, Professional Land Surveyor, UT RLS #7200155-2201 hereby certify that (in accordance with a request from Danielle Gavito with Patara Oil & Gas, LLC) I and or personnel under my direction made a survey on the 2nd day of October 2012, for the Surface Hole Location and Elevation as shown, being located within the NW1/4SW1/4 of SECTION 24, T30S, R25E of the Salt Lake Meridian, San Juan County, Utah of the BIG INDIAN 24-31-30-25 being staked on the ground as shown hereon.

NOTES

(1.)Basis of Datum is the Utah State Plane Coordinate System, South Zone, NAD83 from GPS observations derived from OPUS observations at WHS 1-1/2" al. cap, "CP 30-25-23" at North 10392479.99 FT, East 2317045.82 FT.
(2.) Vertical Datum used is of NAVD 88 referenced to said WHS control point CP 30-25-23, Elevation 6394.90 feet.
(3.) The Basis of Bearings for this survey is Grid North as referenced to the west line of the shown SW4 of SECTION 24 monumented as shown and bearing N 1° 33' 11" W .

LEGEND

- STAKED SURFACE HOLE LOCATION
- APPROXIMATE BOTTOM HOLE LOCATION
- FOUND 2-1/2" BRASS CAP SET FOR SECTION CORNER BY THE BLM IN 1916.
- CORNER POSITION CALCUTED FROM RECORD DIMENSIONS ON USLGO SURVEY PLAT APPROVED ON MAY 8, 1917.

PROFESSIONAL LAND SURVEYOR
No. 7200155-2201
WILLIAM H. DOLINAR
10/10/12
STATE OF UTAH
~SEAL~

CONFIDENTIALITY NOTES:
The information contained in this plat is legally privileged and confidential information intended only for the use of the recipients. If you are not the intended recipients, you are hereby notified that any use, dissemination, distribution or copying of this information is strictly prohibited.

BIG INDIAN 24-31-30-25 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

PLAT OF DRILLING LOCATION
FOR
PATARA OIL & GAS, LLC

1769' F/SL & 1070' F/WL, SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.011	DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS:	SCALE: 1" = 1000'
	EXHIBIT 1 PAGE 1 OF 1

Patara Oil & Gas LLC
Big Indian 24-31-30-25
SHL: 1,769' FSL 1,070' FWL
NW/4 SW/4 SEC 24 TWN 30S RNG 15E
BHL: 773' FSL 515' FWL
SW/4 SW/4 SEC 24 TWN 30S RNG 15E
San Juan County, UT
Federal Lease #: UTU82597

CONFIDENTIAL

Operator Certification

I hereby certify that Patara Oil & Gas LLC and its contractors and sub-contractors are responsible for the operations conducted under this application subject to the terms and conditions of the mineral lease. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Patara Oil & Gas LLC under their statewide bond, BLM Bond No.UTB000428.

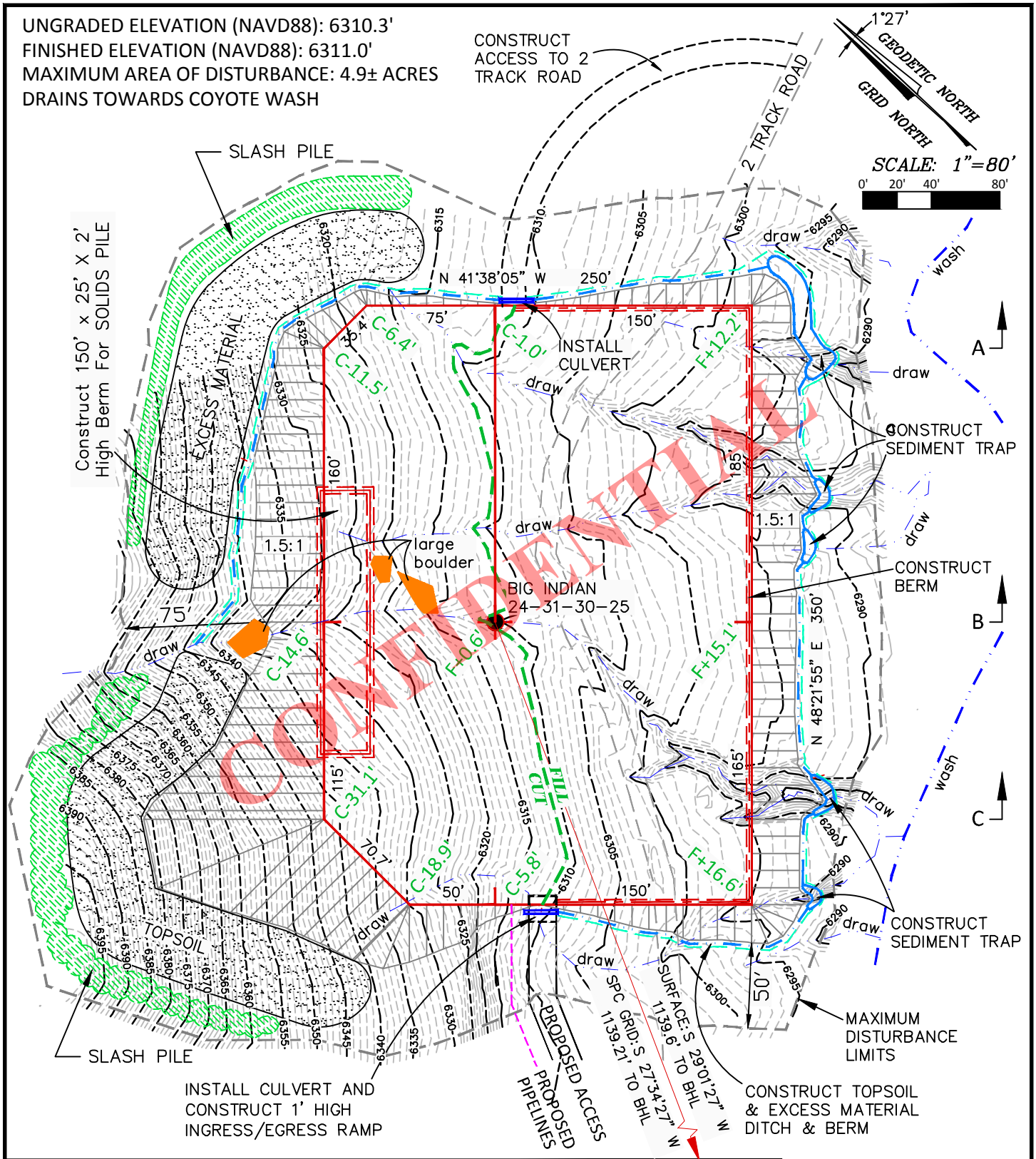
I hereby certify that I or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of State and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved, I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

OPERATORS REPESENTATIVES
Patara Oil & Gas LLC
600 17th Street, Suite 1900S
Denver, CO 80202
Phone: 303-825-0685
Fax: 720-235-4560
Danielle Gavito - 303-563-5378
dgavito@pataraog.com
Ryan Calhoun - 303-563-5373
ryancalhoun@pataraog.com

EMPLOYEE AGENT
Danielle Gavito - 303-563-5378

Danielle Gavito
Executed this 20st day of December,2012

API Well Number: 43037500410000



CONFIDENTIALITY NOTES:
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BIG INDIAN 24-31-30-25 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

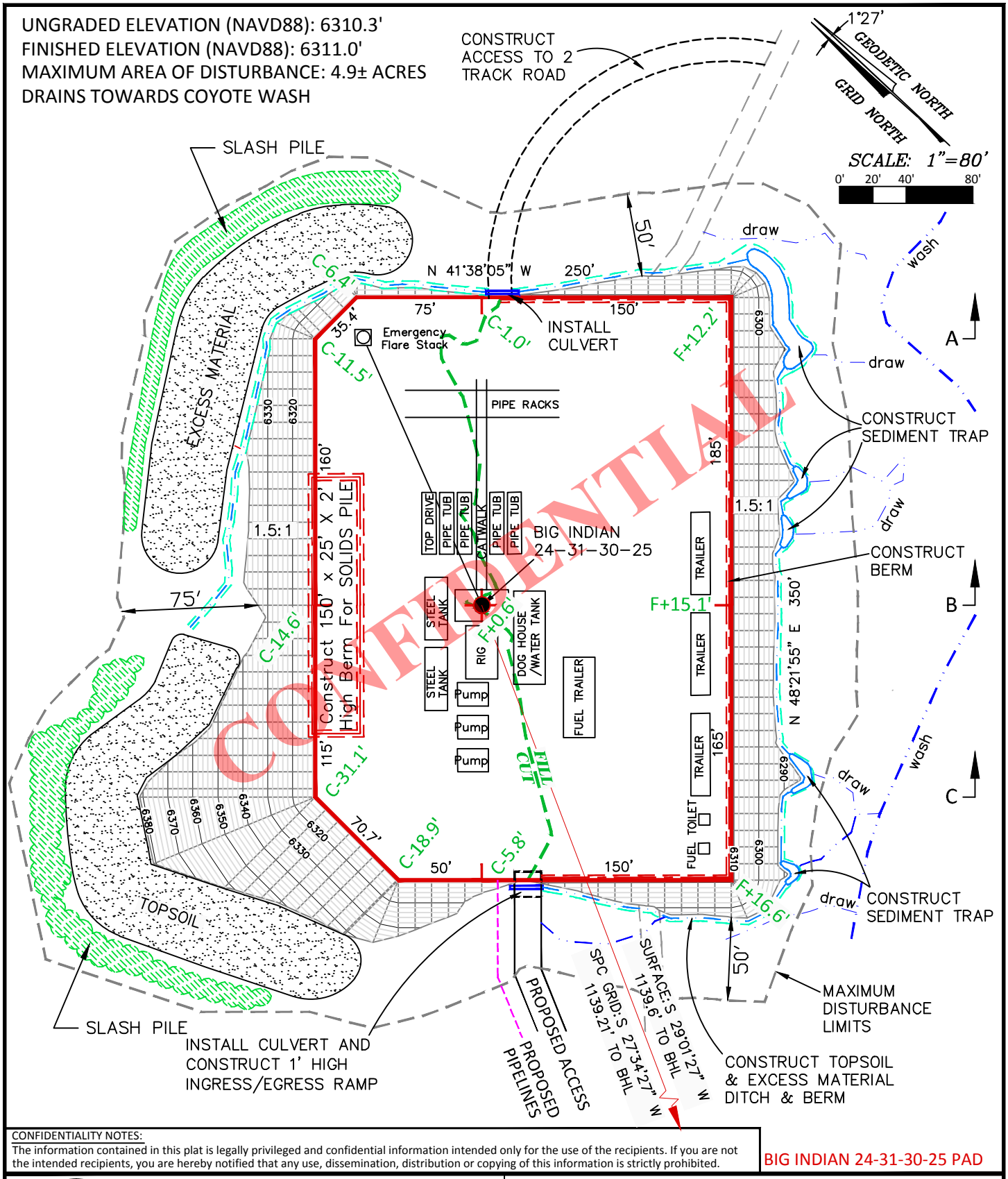
JOB NO: 2011900.011
DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS: Add Slash pile. 12/10/12 RR
SCALE: 1" = 80'
EXHIBIT 2 PAGE 1 OF 3

BIG INDIAN 24-31-30-25
NW4SW4 SECTION 24, T30S, R25E, SLM. SAN JUAN COUNTY, UTAH
ESTIMATED EARTHWORK VOLUMES IN CUBIC YARDS

ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	22,240 CY	19,043 CY	2,283 CY	914 CY
PIT	NONE			0 CY
TOTAL	22,240 CY	19,043 CY	2,283 CY	914 CY

RECEIVED: December 21, 2012

API Well Number: 43037500410000



CONFIDENTIALITY NOTES:
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BIG INDIAN 24-31-30-25 PAD

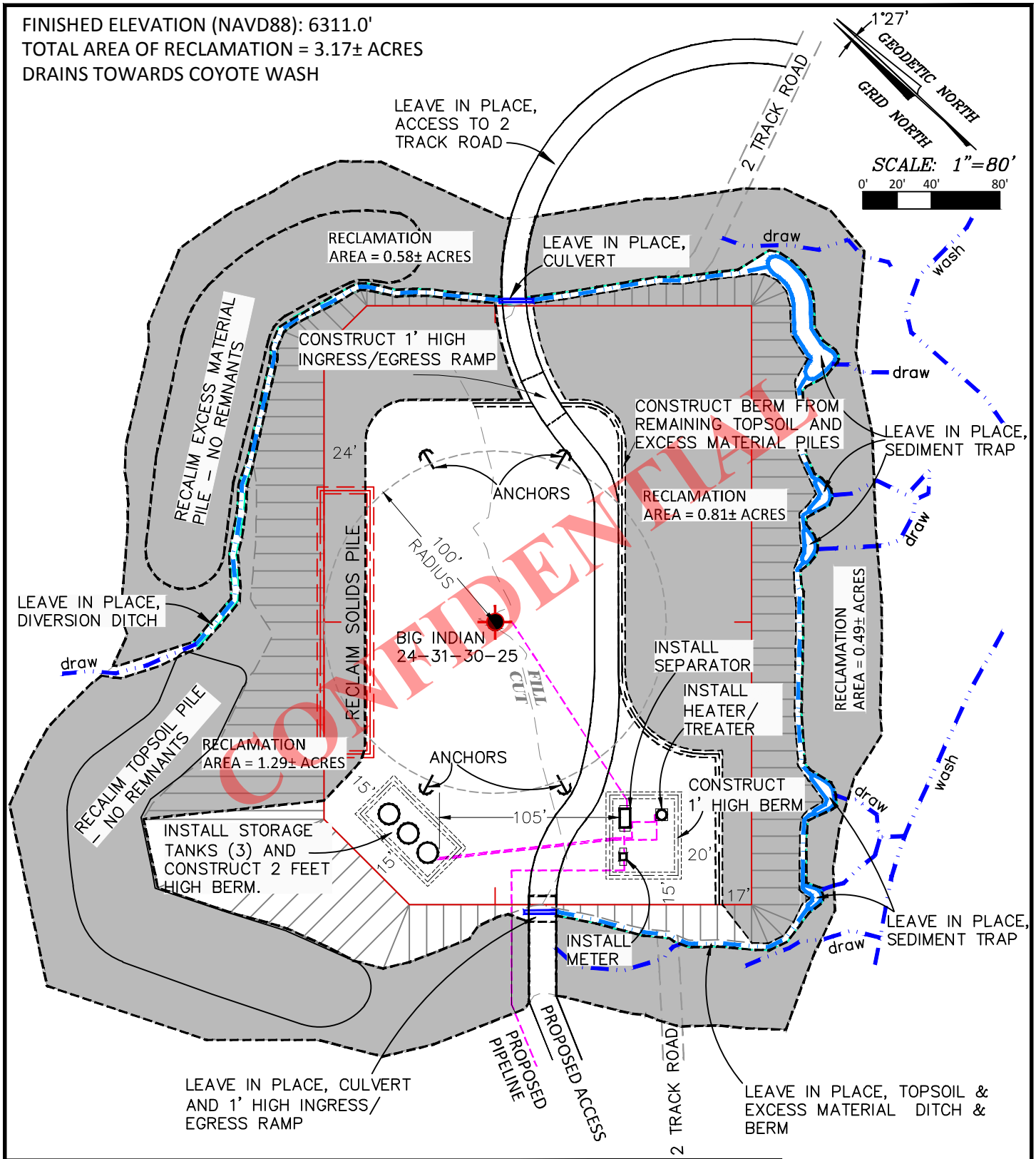
WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

JOB NO: 2011900.011
DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS: Add Slash pile. 12/10/12 RR
SCALE: 1" = 80'
EXHIBIT 2 PAGE 2 OF 3

RIG LAYOUT & DESIGN CONTOURS
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25
NW4SW4 SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

RECEIVED: December 21, 2012

API Well Number: 43037500410000



BIG INDIAN 24-31-30-25 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

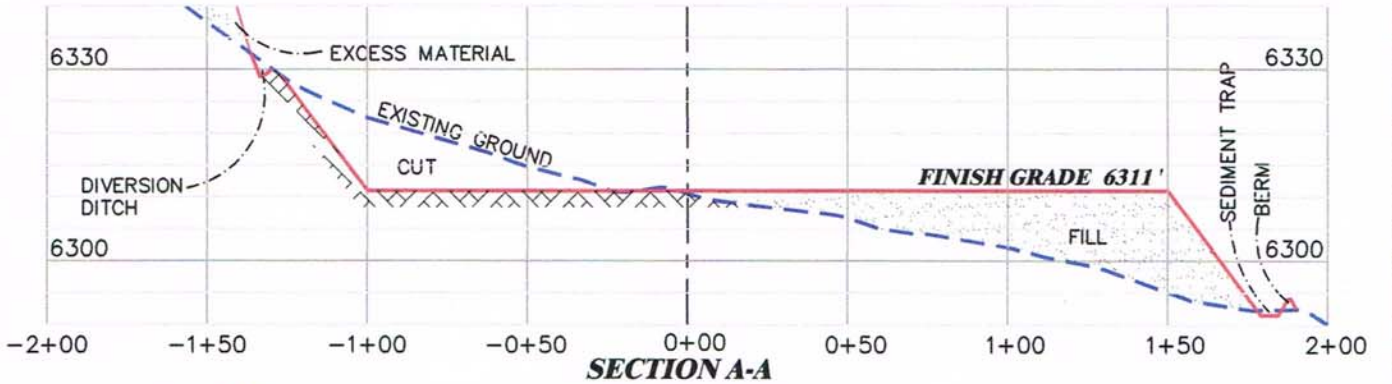
JOB NO: 2011900.011	DATE DRAWN - BY: 10/17/12 - rcr
REVISIONS: CHANGE RECLAMATION AREA 12/10/12 RCR	SCALE: 1" = 80'
	EXHIBIT 2 PAGE 3 OF 3

RECLAMATION PLAN
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25

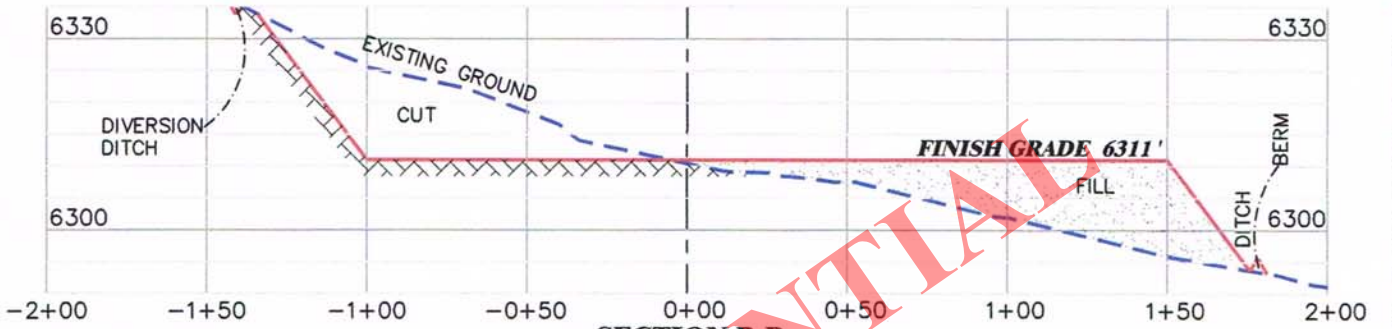
NW4SW4 SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

RECEIVED: December 21, 2012

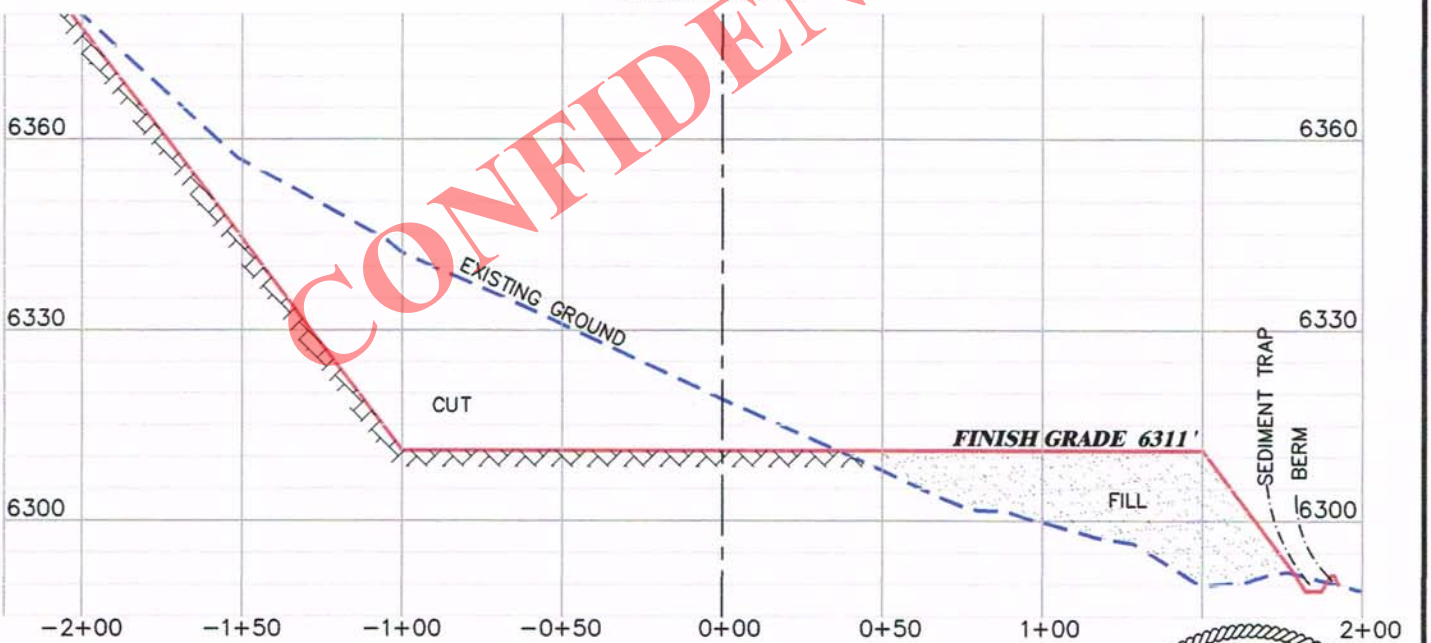
API Well Number: 43037500410000



SECTION A-A



SECTION B-B



SECTION C-C

SURVEYOR'S STATEMENT

I, William H. Dolinar, Professional Land Surveyor, UT RLS #7200155-2201 hereby certify that (in accordance with a request from Danielle Gavito with Patara Oil & Gas, LLC) I and or personnel under my direction made a survey on the 2nd day of October 2012, for the Surface Hole Location, Pad and Topography as shown hereon and in Exhibit 2 of the BIG INDIAN 24-31-30-25.

PROFESSIONAL LAND SURVEYOR
No. 7200155-2201
WILLIAM H. DOLINAR
12/26/12
STATE OF UTAH

BIG INDIAN 24-31-30-25 PAD

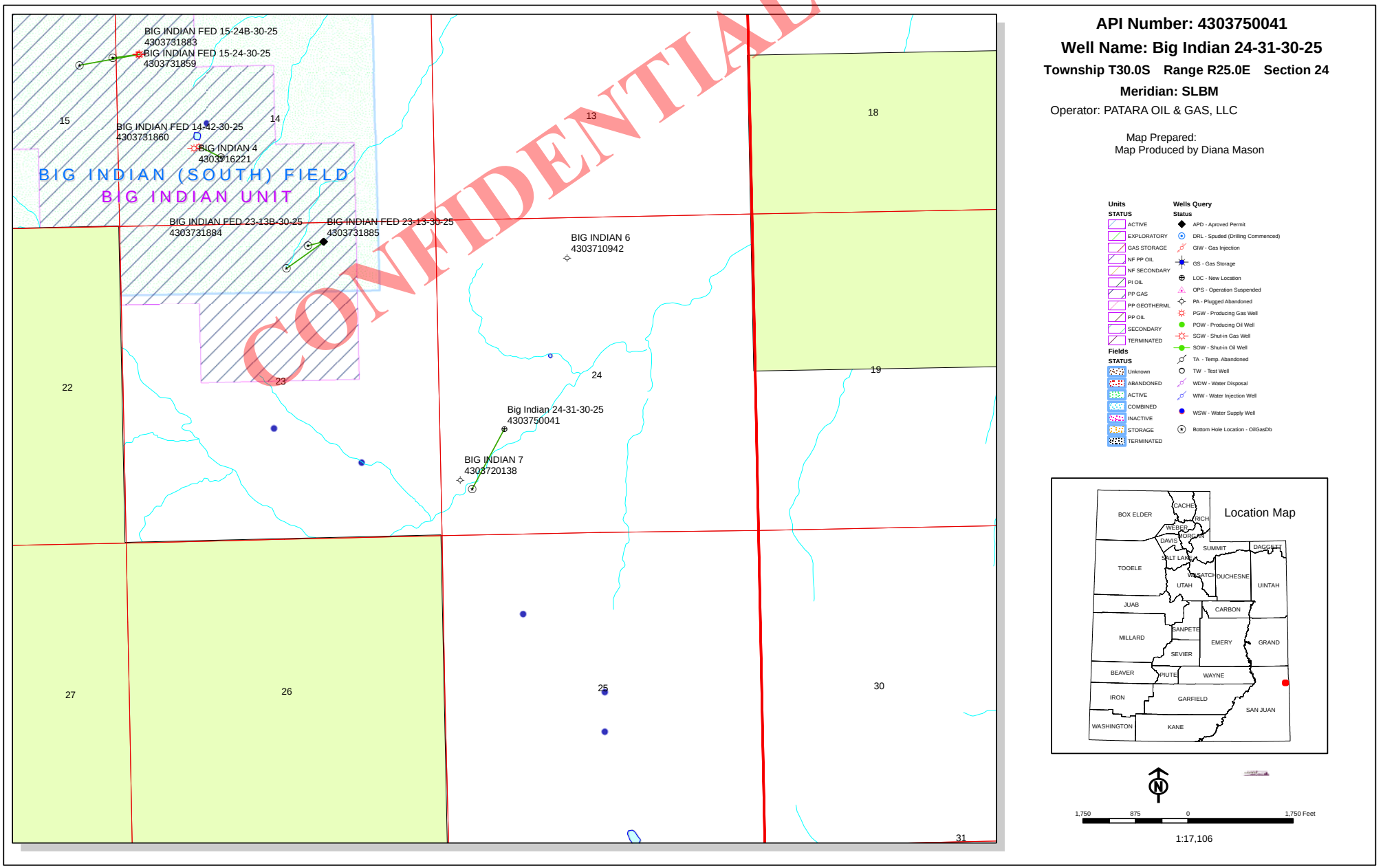
WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

PAD CROSS SECTIONS
PATARA OIL & GAS, LLC
BIG INDIAN 24-31-30-25

NW4SW4 SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.011
DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS:
SCALE: 1" = 60' HORIZONTAL, 1" = 30' VERTICAL
EXHIBIT 3
PAGE 1 OF 1

API Well Number: 43037500410000



API Number: 4303750041

Well Name: Big Indian 24-31-30-25

Township T30.0S Range R25.0E Section 24

Meridian: SLBM

Operator: PATARA OIL & GAS, LLC

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

Wells Query
Status
APD - Aproved Permit
DRL - Spuded (Drilling Commenced)
GIW - Gas Injection
GS - Gas Storage
LOC - New Location
OPS - Operation Suspended
PA - Plugged Abandoned
PGW - Producing Gas Well
POW - Producing Oil Well
SGW - Shut-in Gas Well
SOW - Shut-in Oil Well
TA - Temp. Abandoned
TW - Test Well
WDW - Water Disposal
WIW - Water Injection Well
WSW - Water Supply Well
Bottom Hole Location - OilGasDb

1,750 875 0 1,750 Feet

1:17,106

RECEIVED: December 27, 2012

API Well Number: 43037500410000

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/21/2012 **API NO. ASSIGNED:** 43037500410000

WELL NAME: Big Indian 24-31-30-25

OPERATOR: PATARA OIL & GAS, LLC (N3670) **PHONE NUMBER:** 303 563-5378

CONTACT: Danielle Gavito

PROPOSED LOCATION: NWSW 24 300S 250E **Permit Tech Review:** ☑

SURFACE: 1769 FSL 1070 FWL **Engineering Review:** ☐

BOTTOM: 0773 FSL 0515 FWL **Geology Review:** ☑

COUNTY: SAN JUAN

LATITUDE: 38.16100 **LONGITUDE:** -109.13402

UTM SURF EASTINGS: 663477.00 **NORTHINGS:** 4225324.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU82597 **PROPOSED PRODUCING FORMATION(S):** GOTHIC

SURFACE OWNER: 1 - Federal **COALBED METHANE:** NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** FEDERAL - UTB000428
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** commercial
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ☑ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: R649-3-11

Effective Date:

Siting:

- ☑ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
1 - Exception Location - bhill
4 - Federal Approval - dmason
15 - Directional - dmason
23 - Spacing - dmason

RECEIVED: January 16, 2013

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill
****

Well Name: Big Indian 24-31-30-25
API Well Number: 43037500410000
Lease Number: UTU82597
Surface Owner: FEDERAL
Approval Date: 1/16/2013

Issued to:
PATARA OIL & GAS, LLC, 600 17th Street Ste 1900S, Denver, CO 80202

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. The expected producing formation or pool is the GOTHIC Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:
Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the “Board”). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled,

completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284
  (please leave a voicemail message if not available)
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
  at http://oilgas.ogm.utah.gov

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **11/1/2012**

FROM: (Old Operator):	**TO:** (New Operator):
N3670- Patara Oil & Gas, LLC	N3645- CCI Paradox Upstream, LLC
600 17th Street, Suite 1900S	600 17th Street, Suite 1900S
Denver, CO 80202	Denver, CO 80202
Phone: 1 (303) 825-0685	Phone: 1 (303) 825-0685

CA No. **Unit:** N/A

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
Big Indian 24-31-30-25	24	300S	250E	4303750041		Federal	GW	APD
FEDERAL 15-25	25	290S	230E	4303730317	4776	Federal	GW	S

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 1/23/2013
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/7/2013
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 2/12/2013
4a. Is the new operator registered in the State of Utah: Business Number: 8523441-0161
5a. (R649-9-2)Waste Management Plan has been received on: Not Yet
5b. Inspections of LA PA state/fee well sites complete on: N/A
5c. Reports current for Production/Disposition & Sundries on: 2/12/2013
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Not Yet BIA N/A
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: Not Yet
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/6/2013

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 2/12/2013
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 2/12/2013
3. Bond information entered in RBDMS on: 2/7/2013
4. Fee/State wells attached to bond in RBDMS on: 2/12/2013
5. Injection Projects to new operator in RBDMS on: N/A
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 2/4/2013

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 105865919
2. Indian well(s) covered by Bond Number: N/A
3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 105865922
3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

The following wells will not be transferred until full cost bonding is received.

CISCO STATE 36-13	36	310S	240E	4303750008	18091	State	GW	TA
LISBON D-616	16	300S	240E	4303715049	8123	State	OW	S
LISBON B-616	16	300S	240E	4303716242	8123	State	OW	S
LISBON UNIT D-716	16	300S	240E	4303731034	8123	State	OW	S

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

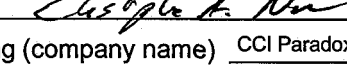
Well name:	Big Indian 24-31-30-25
API number:	43037500041
Location:	Qtr-Qtr: SWNW Section: 24 Township: 30S Range: 25E
Company that filed original application:	Patara Oil & Gas LLC
Date original permit was issued:	
Company that permit was issued to:	Unapproved

Check one	Desired Action:
✓	**Transfer pending (unapproved) Application for Permit to Drill to new operator**
	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
	Transfer approved Application for Permit to Drill to new operator
	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	**Yes**	**No**
If located on private land, has the ownership changed?		✓
If so, has the surface agreement been updated?		✓
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. 105865922	✓	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) Christopher Noonan Title Regulations & Production Reporting Supervisor

Signature  Date 1/31/2013

Representing (company name) CCI Paradox Upstream LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

(3/2004)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU82597

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 563-5364 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/1/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI Paradox Upstream LLC (CCI) requests an extension to the approved APD for the maximum allowable time. The Federal approval for the APD is valid until June 19, 2015. The State of Utah's APD is approved until January 16, 2014. We do not anticipate being able to commence drilling operations prior to January 16, 2014. Please contact Chrissy Schaffner at (303)563-5378 or at chrissy.schaffner@cci.com with any questions or concerns. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: October 29, 2013

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Chrissy Lawson	303 563-5378	Regulatory Specialist
SIGNATURE		**DATE**
N/A		10/25/2013

RECEIVED: Oct. 25, 2013

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037500410000

API: 43037500410000
Well Name: Big Indian 24-31-30-25
Location: 1769 FSL 1070 FWL QTR NWSW SEC 24 TWNP 300S RNG 250E MER S
Company Permit Issued to: CCI PARADOX UPSTREAM, LLC
Date Original Permit Issued: 1/16/2013

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Chrissy Lawson **Date:** 10/25/2013
Title: Regulatory Specialist **Representing:** CCI PARADOX UPSTREAM, LLC

RECEIVED: Oct. 25, 2013

Sundry Number: 53748 API Well Number: 43037500410000

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/23/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI Paradox Upstream LLC intends to change the METHOD OF DRILLING on this well from fluid to air mist. CCI will be using a dust buster to contain all dust from air mist drilling, and no blouie pit will be constructed. The surface on this well will be @ 2500'. Please contact John Warren @ 303-728-2226 (john.warren@cci.com) with any questions.

Accepted by the Utah Division of Oil, Gas and Mining
Date: July 31, 2014
By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Pamella Hill	303 728-2228	Reservior Technician
SIGNATURE		**DATE**
N/A		7/23/2014

RECEIVED: Jul. 23, 2014

Sundry Number: 54701 API Well Number: 43037500410000

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

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7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 10/5/2014	☐ ACIDIZE	✓ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
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☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI would like to change the surface casing depth from 2500' MD to 2100' MD. Old surface casing depth: 2500' MD (8 5/8") New surface casing depth: 2100' (8 5/8") The reasons for this change are: 1- if set at 2500', 3 to 5 of the Cutler pay sands will be cemented in the surface casing; and 2- upon reviewing the estimated geological tops for the BI 24-31, we found the Chinle top had been estimated too deep (~ 325') based on offsetting wells in the same section: section 24 (Big Indian 6 and 7). The top of the Chinle has been estimated at 1982' MD, therefore the surface casing will be set about 118' into the Chinle. CCI will have a mud logger on location from 1600' to TD. Attached are the Revised Estimated Geological Tops. If you have any questions let me know. Thank you!

Accepted by the Utah Division of Oil, Gas and Mining
Date: August 28, 2014
By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Chrissy Lawson	303 563-5378	Regulatory Specialist
SIGNATURE		**DATE**
N/A		8/20/2014

RECEIVED: Aug. 20, 2014

Estimated Geological Tops

Age	Formation	*	MD	TVD	Subsea
Cretaceous	Dakota/Burro Canyon		surface	surface	6332
Jurassic	Entrada		707'	707'	5625
Triassic	Navajo		916'	916'	5416
Triassic	Kayenta		1501'	1501'	4831
Triassic	Wingate		1716'	1716'	4616
Triassic	Chinle		1982'	1982'	4350
	Trapping Fault		2162'	2162'	4170
Permian	Lower Cutler	G	2386'	2385'	3947
Penn	HKTR MKR 5	G	2840'	2821'	3511
Penn	HKTR MKR 1	G	3723'	3623'	2709
	Total Depth		3,843	3732'	2600

RECEIVED: Aug. 20, 2014

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
✓ SPUD REPORT Date of Spud: 10/10/2014	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
October 14, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Mullins	303 728-2219	Reservoir Engineering Tech
SIGNATURE		**DATE**
N/A		10/13/2014

RECEIVED: Oct. 13, 2014

WellView

Daily Drilling

Report for: 10/10/2014
Report #: 5.0, DFS: 1.25
Depth Progress: 105.00

Well Name: Big Indian 24-31-30-25

API/UWI	Surface Legal Location	License #	State/Province
Unassigned	NW/SW Sec. 24, T30S, R25E		Utah
Spud Date	**Rig Release Date**	**Ground Elevation (ft)**	**KB-Ground Distance (ft)**
10/10/2014 00:00			
Weather	**Temperature (°F)**	**Road Condition**	**Hole Condition**
CLEAR	38.0	DRY	HOLE STABLE WITH FULL RETURNS

Operations at Report Time	Operations Next Report Period
DRILLING 12 1/4 HOLE SECTION AT 207 FT	DRILL 12 1/4 HOLE SECTION

Operations Summary

RIG UP FLOOR, HANG FLOW LINE, BERM FUEL TANK, RIG UP SOLIDS CONTROL EQUIPMENT, MUD TANKS AND FLARE LINE, SET PIPE RACKS, STRAP BHA, CONDUCT PRE SPUD INSPECTION, ACCEPT RIG ON DAY WORK AT 18:00 HRS, MIX SPUD MUD AND NIPPLE UP DIVERTER SYSTEM, SPUD WELL AT 23:30 HRS, DRILLING FROM 102 FT TO 117 FT.

Time Log

Start Time	End Time	Dur (hr)	Cum Dur (hr)	Code 1	Code 2	Com
06:00	18:00	12.00	12.00	1	RIGUP & TEARDOWN	RIG UP FLOOR, HANG FLOW LINE, BURM FUEL TANK, RIG UP SOLIDS CONTROL EQUIPMENT, MUD TANKS AND FLARE LINE, SET PIPE RACKS, STRAP BHA, CONDUCT PRE SPUD INSPECTION, ACCEPT RIG ON DAY WORK AT 18:00 HRS.
18:00	23:30	5.50	17.50	14	NIPPLE UP B.O.P	MIX SPUD MUD AND NIPPLE UP DIVERTER SYSTEM, SPUD WELL AT 23:30 HRS, .
23:30	00:00	0.50	18.00	2	DRILL ACTUAL	DRILLING 12 1/4" HOLE SECTION FROM 102 FT T0 117 FT
00:00	06:00	6.00	24.00	2	DRILL ACTUAL	DRILLING 12 1/4" HOLE SECTION FROM 117 FT T0 207 FT WITH FULL RETURNS, SURVEY AT 157 FT 0.3 DEG, 115 AZM

Mud Checks

207.0ftKB, 10/11/2014 04:00

Type	Time	Depth (ftKB)	Density (lb/gal)	Funnel Viscosity (s/qt)	PV Override (Pa•s)	YP OR (lbf/100ft²)
Water Base	04:00	207.0	8.40	40	14.0	14.000

Gel 10 sec (lbf/100ft²)	Gel 10 min (lbf/100ft²)	Filtrate (mL/30min)	Filter Cake (1/32")	pH	Sand (%)	Solids (%)
3.000	3.000	11.0	1	11.0	0.0	0.5

MBT (lb/bbl)	Alkalinity (mL/mL)	Chlorides (mg/L)	Calcium (mg/L)	Pf (mL/mL)	Pm (mL/mL)	Gel 30 min (lbf/100ft²)
	0.5	1.000	40.000			4.000

Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost to Surface (bbl)	Reserve Mud Volume (bbl)	Active Mud Volume (bbl)
	26.0	29.0	0.0	638.0

Drill Strings

BHA #1, Slick

Bit Run	Drill Bit	Length (ft)	IADC Bit Dull	TFA (incl Noz) (in²)	BHA ROP...
1	12 1/4in, GF30B, PY5564	1.50	-------	0.92	16.2

Nozzles (1/32")	String Length (ft)	Max Nominal OD (in)
20/20/20	196.93	8.000

String Components: Smith GF30B, Drill Collar, Drill Collar, MWD - Directional, Mud Motor

Comment: USING STRAIGHT HOLE MOTOR 7/8, 4 STAGE, .18 REV/GAL + TELEDRIFT FOR SURVEYS

Drilling Parameters

Wellbore	Start (ftKB)	End Depth (ftKB)	Cum Depth (ft)	Cum Drill Time (hr)	Int ROP (ft/hr)	Q Flow (gpm)	WOB (1000lbf)	RPM (rpm)	SPP (psi)	Drill Str Wt (1000lbf)	PU Str Wt (1000lbf)	Drill Tq
Original Hole	102.0	207.0	105.00	6.50	16.2	500	10	80	440.0	35	35	

AFE Number	AFE+Supp Amt (Cost)
UP100067	
Day Total (Cost)	**Cum To Date (Cost)**
35,478.78	148,000.36
Mud Field Est (Cost)	**Cum Mud Field Est (Co...**
Start Depth (ftKB)	**End Depth (ftKB)**
102.0	207.0
Target Formation	**Target Depth (ftKB)**
Last Casing String	

Daily Contacts

Job Contact	Mobile
John Warren	303.349.8560
Dan Manley	
Vern Miller	
James Mullins	
<contactname>	

Rigs

FRONTIER, 4

Contractor	Rig Number
FRONTIER	4
Rig Supervisor	**Phone Mobile**
Terry Hackford	

1, Continental-Emsco, F-1000

Pump #	Pwr (hp)	Rod Dia (in)
1	1,000.0	
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
P (psi)	**Slow Spd**	**Strokes (s...**	**Eff (%)**

2, Continental-Emsco, F-1000

Pump #	Pwr (hp)	Rod Dia (in)
2	1,000.0	
Liner Size (in)	**Stroke (in)**	**Vol/Stk OR (b...**
P (psi)	**Slow Spd**	**Strokes (s...**	**Eff (%)**

Mud Additive Amounts

Des	Field Est (Cost/unit)	Consumed

Safety Checks

Time	Type	Des

Wellbores

Wellbore Name	KO MD (ftKB)
Original Hole	

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 10/21/2014	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: Final Drilling Report

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
Submitting final daily drilling report for the Big Indian 24-31-30-24.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
October 22, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Mullins	303 728-2219	Reservoir Engineering Tech
SIGNATURE		**DATE**
N/A		10/22/2014

RECEIVED: Oct. 22, 2014

WellView

Daily Drilling

Report for: 10/21/2014
Report #: 16.0, DFS: 11.77

Well Name: Big Indian 24-31-30-25

Depth Progress: 0.00

API/UWI	Surface Legal Location	License #	State/Province
43-037-50041	NW/SW Sec. 24, T30S, R25E		Utah

Spud Date	Rig Release Date	Ground Elevation (ft)	KB-Ground Distance (ft)
10/10/2014 23:30	10/21/2014 18:00	6,310.00	21.00

Weather	Temperature (°F)	Road Condition	Hole Condition
		DRY	4.5" CASING SET AND CEMENTED TO 3848 FT.

Operations at Report Time	Operations Next Report Period
WOD, RIG RELEASED	RIG RELEASED, RETURN RENTAL EQUIP.

Operations Summary

RIG DOWN ZECO SOLIDS CONTROL EQUIP TO GAIN ACCESS TO PITS, CLEAN MUD PITS. RELEASE RIG 10/21/2014 18:00 HRS MST, RDRT, WOD

Time Log

Start Time	End Time	Dur (hr)	Cum Dur (hr)	Code 1	Code 2	Com
06:00	18:00	12.00	12.00	21	OPEN	RIG DOWN ZECO EQUIP. TO GAIN ACCESS TO MUD PITS, CLEAN MUD TANKS, SEND BACK WEATHERFORD RENTAL STRING, ZECO, MOVE EQUIP TO MAKE ROOM TO LD DRK, RIG DOWN SWACO RENTAL EQUIP, RIG DOWN PASON, 5 LOADS TO DISPOSAL. RELEASE RIG 18:00 HRS.
18:00	18:00		12.00			FINISHED CLEANING TANKS @ 20:00 HRS, TOMORROW CLEAN FRAC MUD STORAGE TANK, SENT BACK SWACO EQUIP, SEND BACK 4 HB RENTAL TRAILERS, RIG DOWN RAIN F/ RENT EQUIP AND CONTAINMENT, SEND BACK RAIN F/ RENT EQUIP. LOAD ALL CCI EQUIP (CSG, BITS) REMOVE 400 BBL FRESH WATER, WATER ROAD F/ MOVE. RD AND MOVE RIG LOADS. 10/23/14 RIG DOWN AND SEND BACK THE REMINDER OF HB RENTAL TRAILERS, WATER, SEWER TANKS

Mud Checks

<depth>ftKB, <dttm>

Type	Time	Depth (ftKB)	Density (lb/gal)	Funnel Viscosity (s/qt)	PV Override (Pa•s)	YP OR (lbf/100ft²)

Gel 10 sec (lbf/100ft²)	Gel 10 min (lbf/100ft²)	Filtrate (mL/30min)	Filter Cake (1/32")	pH	Sand (%)	Solids (%)

MBT (lb/bbl)	Alkalinity (mL/mL)	Chlorides (mg/L)	Calcium (mg/L)	Pf (mL/mL)	Pm (mL/mL)	Gel 30 min (lbf/100ft²)

Whole Mud Added (bbl)	Mud Lost to Hole (bbl)	Mud Lost to Surface (bbl)	Reserve Mud Volume (bbl)	Active Mud Volume (bbl)

Drill Strings

BHA #<stringno>, <des>

Bit Run	Drill Bit	Length (ft)	IADC Bit Dull	TFA (incl Noz) (in²)	BHA ROP…

Nozzles (1/32")	String Length (ft)	Max Nominal OD (in)

String Components

Comment

Drilling Parameters

Wellbore	Start (ftKB)	End Depth (ftKB)	Cum Depth (ft)	Cum Drill Time (hr)	Int ROP (ft/hr)	Q Flow (gpm)	WOB (1000lbf)	RPM (rpm)	SPP (psi)	Drill Str Wt (1000lbf)	PU Str Wt (1000lbf)	Drill Tq

AFE Number	AFE+Supp Amt (Cost)
UP100067	1,392,410.00
Day Total (Cost)	Cum To Date (Cost)
261,757.18	1,301,013.88
Mud Field Est (Cost)	Cum Mud Field Est (Co…
	24,588.69
Start Depth (ftKB)	End Depth (ftKB)
3,856.0	3,856.0
Target Formation	Target Depth (ftKB)

Last Casing String: Production, 3,848.0ftKB

Daily Contacts

Job Contact	Mobile
John Warren	303.349.8560
Dan Manley	
Mike Sitton	218.840.5891
James Mullins	

Rigs

FRONTIER, 4

Contractor	Rig Number
FRONTIER	4
Rig Supervisor	Phone Mobile
Terry Hackford	

1, Continental-Emsco, F-1000

Pump #	Pwr (hp)	Rod Dia (in)
1	1,000.0	
Liner Size (in)	Stroke (in)	Vol/Stk OR (b…
6	10.00	0.085
P (psi)	Slow Spd	Strokes (s…	Eff (%)

2, Continental-Emsco, F-1000

Pump #	Pwr (hp)	Rod Dia (in)
2	1,000.0	
Liner Size (in)	Stroke (in)	Vol/Stk OR (b…
6	10.00	0.085
P (psi)	Slow Spd	Strokes (s…	Eff (%)

Mud Additive Amounts

Des	Field Est (Cost/unit)	Consumed

Safety Checks

Time	Type	Des

Wellbores

Wellbore Name	KO MD (ftKB)
Original Hole	

Sundry Number: 57251 API Well Number: 43037500410000

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 11/3/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Completion & construction

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI intends to begin completion, battery construction and pipeline construction next Monday, November 3, 2014.

Accepted by the Utah Division of Oil, Gas and Mining

Date: November 12, 2014

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Mullins	303 728-2219	Reservoir Engineering Tech
SIGNATURE		**DATE**
N/A		10/31/2014

RECEIVED: Oct. 31, 2014

Big Indian 24-31-30-25
NW SW Section 24-T30S-R25E
San Juan County, Utah
API 4303750041
10/28/14

Recommended Completion Procedure:

Casing: 4 ½" 11.6 #/ft L-80 LT&C
PBTD = 3803'
Drift ID 3.875", Burst 5350 psi, Capacity 0.0155 bbls/ft

Tubing: 2 3/8" 4.6 #/ft J-55 8rd EUE Blue band inspected tbg.
Capacity = 0.00387 bbls/ft, Drift ID 1.901"

FMC wellhead: 5K tbg hanger has been installed and seals tested.

Deadmen have been installed for the workover rig.

1. Offload 144 jts of inspected 2 3/8" tbg from the Tuboscope. There will be 17 jts of 2 3/8" L-80 tbg that needs to be separated and transferred to rack with the tbg (2 3/8" L-80) stacked on the Middle Mesa 31-42 well. Remaining to be racked on site for use in this completion will be 118 jts of 2 3/8" J-55 blue band, 2 jts of 2 3/8" J-55 yellow band and 7 jts of 2 3/8" N-80 yellow band. Truck should come with a tally of the pipe being transferred.

   Suggest running the blue band on btm so that ultimately the N-80 & J-55 yellow band tbg will be among the 35 jts that will be laid back down and moved to the Lone Cone Yard for other use.

2. Have FMC bring out the C section of the tree and set two frac tanks on location. Fill one frac tank with 250 bbls of 3% KCL water. Other tank will be for flowback.

3. Will need to order out a 1.81" and 1.87" F nipples, a pump-off assy & 3 1/8" bit, 4' x 2 3/8" J-55 sub and a 4 ½" casing scrapper (csg scrapper is on the other rig). Also bring over the 1.87" F nipple w/ flow through plug from the other rig.

4. RU workover rig. Install BOPE.

5. RU N2 unit if available. MU casing scrapper and PU 123 jts of tbg to reach to PBTD. Clean the hole using the N2 unit and foam. If the N2 unit is unavailable circulate the hole clean using the 3% KCL water.

6. POOH and LD the casing scrapper. If the N2 unit is available, pressure up on the casing to 2000 psi and shut in the well. If the N2 unit is not available, leave

the fluid in the hole as is. Should be a 1221 psi fluid cushion above the top proposed perforation.

7. RU Cutters Wireline Service with lubricator. Run the CBL from PBTD to surface w/ the 2000 psi N2 cushion or pump up to 2000 psi using the rig pump on the fluid filled hole.

8. RU hollow carrier perforating guns to perforate 4 spf at 120 degree phasing. Bleed down the pressure to 1500 psi if N2 is being used. Bleed off the pressure entirely if the hole is filled w/ KCL water. Perforate the following intervals recording casing pressure after each run. Zones to be perforated range in pressure from 702 psi to 1153 psi. Don't have to perforate in order (if able to combine intervals to save on runs).

Honaker Trail 2		
3416 – 3428'	12'	36 holes
Honaker Trail 3		
3244 – 3268'	24'	96 holes
3162 – 3204'	42'	168 holes
Honaker Trail 4		
3114 – 3138'	24'	96 holes
3084 – 3092'	8'	32 holes
3046 – 3070'	24'	96 holes
2933 – 2951'	18'	72 holes
Honaker Trail 5		
2889 – 2900'	11'	44 holes
2877 – 2886'	9'	36 holes
2800 – 2808'	8'	32 holes
2784 – 2796'	12'	36 holes

9. If N2 was being used then a kill plug may have to be set in order to get in the hole with the tbg. If so, set a Kill Plug @ 2750' +/- depending on collar location. If it is thought that a top kill can enable tbg to be run, then forego the kill plug. The zones are expected to be fairly prolific gas producers, so the kill plug may be the safest way to go.

   If fluid was being used, then the well may remain dead to allow tbg to be run. Again, set the kill plug if deemed necessary to get the tbg in the hole safely.

10. If the kill plug was run, MU the 3 1/8" bit and pump-off plug w/ check valve in place. MU 4' sub, 1.81" F nipple, 1 jt tbg, 1.87" F nipple, 87 jts tbg, the second 1.87" F nipple (without the flow through plug) and tbg to go in hole to drill out the

kill plug. RU power swivel and the N2 unit if available, if not use the rig pump and fluid. Drill out the kill plug and TIH to push it to btm.

11. POOH to the top 1.87" F nipple. Drop ball and install the flow through plug. TIH to btm and pump off the bit and pump-off assy.

12. PU tbg to 2750' +/-. Top kill the well. Land tbg, remove landing jt and F nipple w/ plug. Have TIW valve on hand if needed. ND BOPE and NU 2 3/8" tree.

13. Swab in well, RU flow tester's separator and flare. Flow well to unload fluid. RD rig and send to Bullhorn 15-14. Have testers establish a consistent gas / oil flow rate then SI the well. Rig down testers equipment.

14. Clear location of tanks and rental equipment so crews can construct battery, flowline and pipeline.

15. NU well to flowline and tank battery. Commence well production when pipeline and battery are finished.

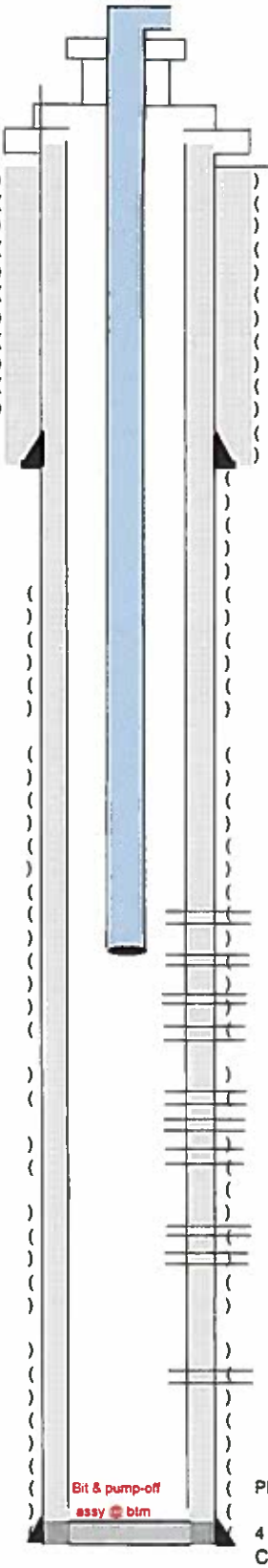
WELLBORE DIAGRAM

Proposed Completion

Surface Loc: 1769' FSL & 1070' FWL

Operator:	CCI Paradox Upstream
Well Name:	Big Indian 24-31-30-25
Lease Number:	UTU82597
Location:	NW SW Section 24-T30S-R25E
Field:	Big Indian
County:	San Juan, UT
API Number:	4303750041

John Warren 10-22-2014



Well History

Spud Date	10/10/2014
Date TD Reached	10/18/2014
Date First Gas Sales	

Proposed Tubing Detail (9/15/14):

	Length	Depth:
KB	21	21'
86 jts 2-3/8" J-55 4.7# tbg	2683	2704
1 - 1.87" F-Nipple	1	2705
1 jt 2 3/8" tbg	31	2736
1 - 1.81" R-Nipple w/ bumper spring	1	2737
4' x 2 3/8" J-55 sub	4	2741

Honaker Trail 5

2784 - 2796'	4 spf	36 holes
2800 - 2808'	4 spf	32 holes
2877 - 2886'	4 spf	36 holes
2889 - 2900'	4 spf	44 holes

Honaker Trail 4

2933 - 2951'	4 spf	72 holes
3046 - 3070'	4 spf	96 holes
3084 - 3092'	4 spf	32 holes
3114 - 3138'	4 spf	96 holes

Honaker Trail 3

3162 - 3204'	4 spf	168 holes
3244 - 3268'	4 spf	24 holes

Honaker Trail 2

3416 - 3428'	4 spf	36 holes

PBTD @ 3803'

4 1/2" 11.6#/ft L-80 8rd LT&C csg set @ 3848'
Cement to surface w/ 127 bbl (300 sx) 12.3 ppg 2.38 yield cmt, tail w/ 56 bbl (150 sx) 12.8 ppg 2.11 yield cement, had 5 bbl cmt returns at surface.

Sundry Number: 56321 API Well Number: 43037500410000

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: Big Indian 24-31-30-25

2. NAME OF OPERATOR: CCI PARADOX UPSTREAM, LLC

9. API NUMBER: 43037500410000

3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER: 303 728-2222 Ext

9. FIELD and POOL or WILDCAT: UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY: SAN JUAN

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 10/7/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

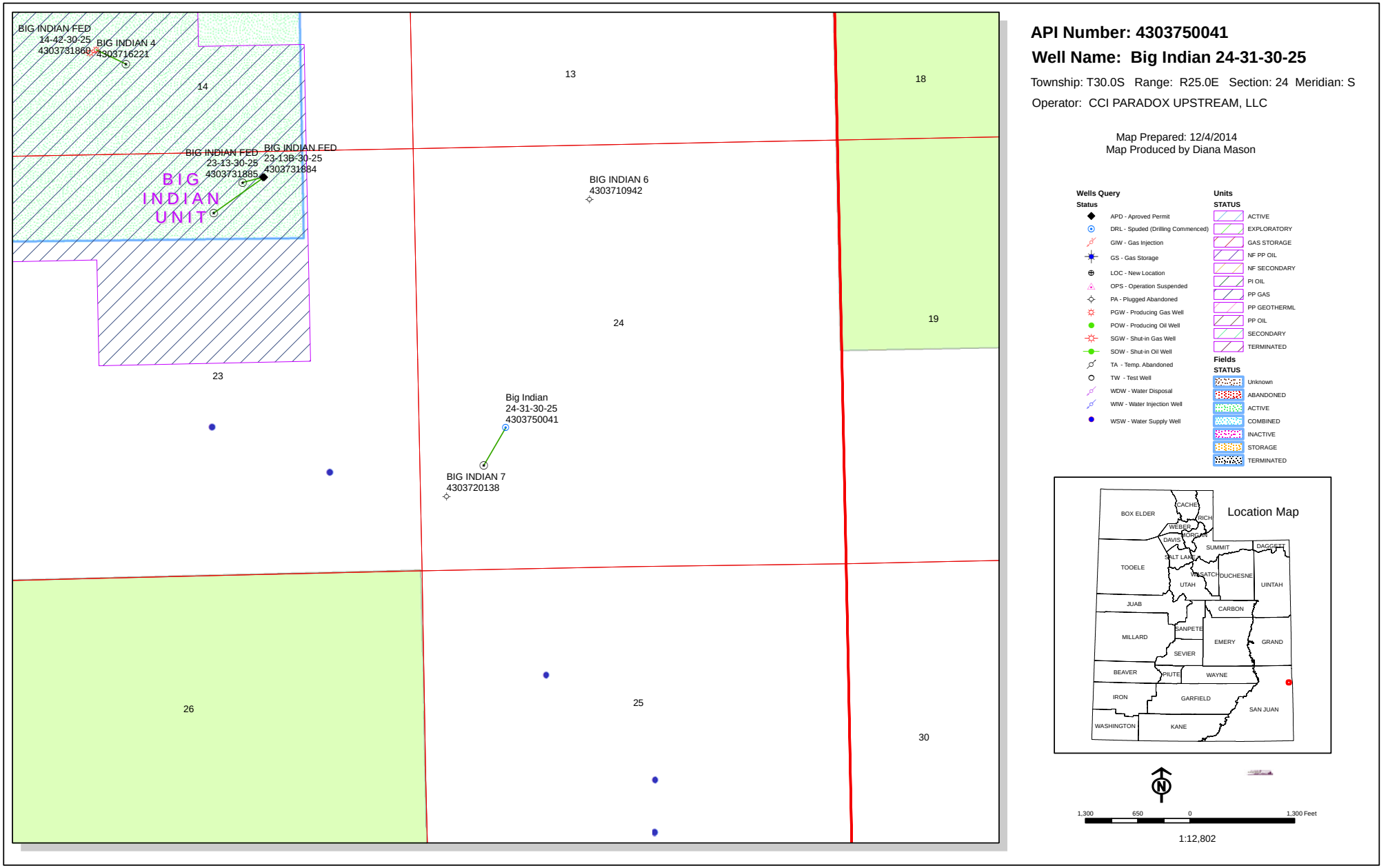
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

CCI Paradox Upstream LLC (CCI) proposes to change the drilling plans tp drill the surface hole with an aerated fluid system to lighten the hydrostatic pressure. Additionally, CCI has corrected the SHL in the directional plan to correspond with the SHL identified in the land survey plat; and the BHL in the land survey plat to correspond with the BHL in the directional plan. Both the revised land survey plat and directional plan are attached. Please let me know if you have any questions. Thank you!

Approved by the Utah Division of Oil, Gas and Mining
December 15, 2014
Date:
By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Chrissy Lawson	303 563-5378	Regulatory Specialist
SIGNATURE N/A		**DATE** 10/3/2014

RECEIVED: Oct. 03, 2014



RECEIVED: Dec. 04, 2014

CCI

Castleton Commodities International Paradox Upstream, LLC
600 17th Street, Suite 1900S
Denver, CO 80202

T 303-825-0685
F 303-728-2215

December 5, 2014

Ms. Diana Whitney
Utah Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RE: Rule R649-3-11. Directional Drilling R649-3-11
Big Indian 24-31-30-25: 1769' FNL & 1070' FWL (Surface Hole) NWSW,
1304' FSL & 791' FWL (Bottom Hole) SWSW,
Sec. 24, T30S, R25E, S.L.P.M.
San Juan County, Utah

Dear Ms. Whitney:

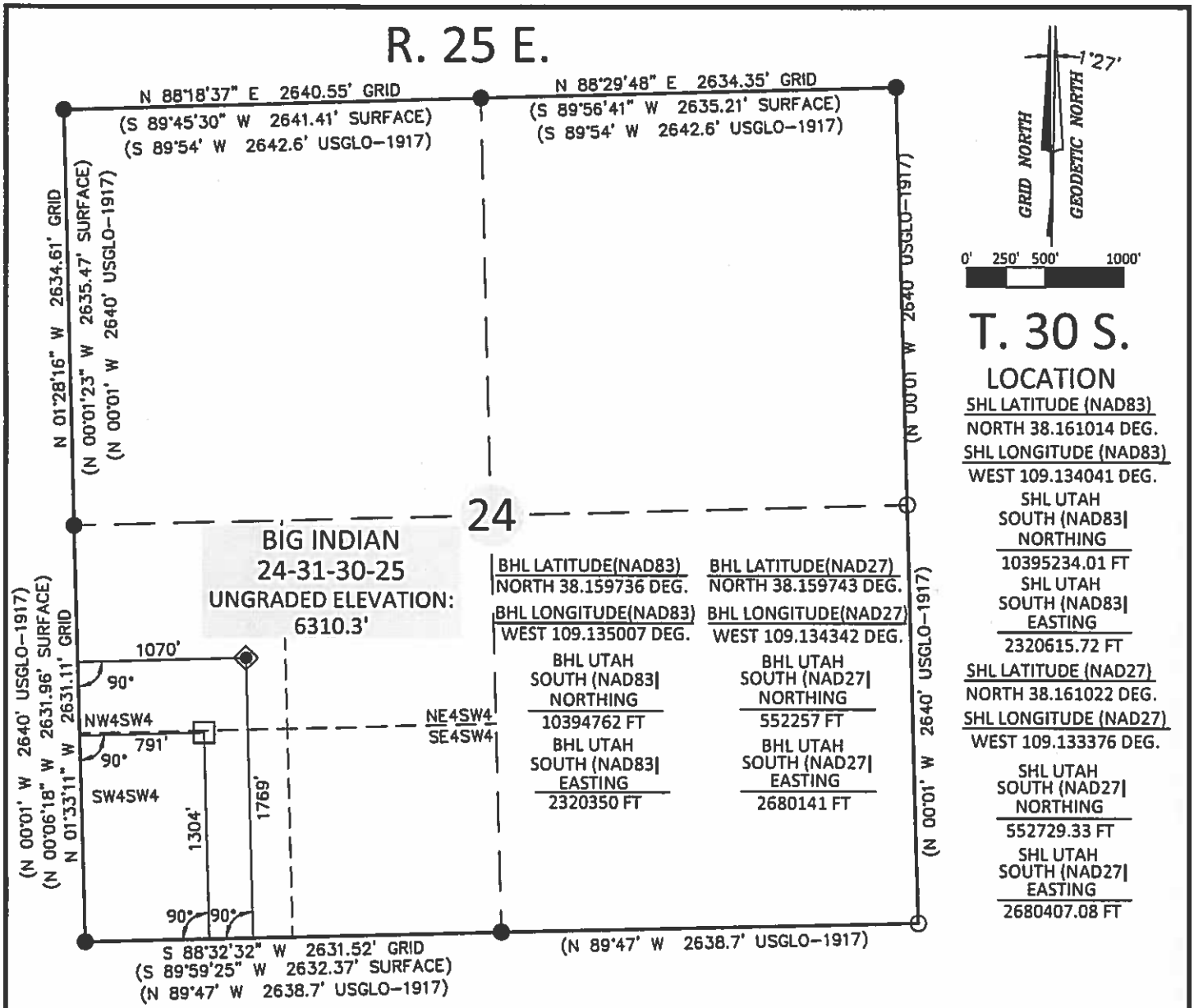
Pursuant to the filing of Patara Oil & Gas LLC's Application for Permit to Drill regarding the above referenced well on December 21st, 2012, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of wells. CCI Paradox Upstream LLC acquired Patara Oil & Gas LLC in early 2013.

- The Big Indian 24-31-30-25 is located within the Big Indian Unit Area
- CCI Paradox Upstream LLC is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and drilling directionally from this location, CCI Paradox Upstream LLC will be able to utilize the existing road and pipelines in the area.
- Furthermore, CCI Paradox Upstream LLC hereby certifies that it is the sole working interest owner within 460 feet of the entire directional wellbore.

Therefore, based on the above stated information, CCI Paradox Upstream LLC requests the permit be granted pursuant to R649-3-11. Should you have any questions or comments, please do not hesitate to contact the undersigned at (303) 728-2216 or Kelsey.Silipo@cci.com.

Sincerely,

Kelsey E. Silipo
Landman



LOCATION

SHL LATITUDE (NAD83)
NORTH 38.161014 DEG.
SHL LONGITUDE (NAD83)
WEST 109.134041 DEG.
SHL UTAH SOUTH (NAD83) NORTHING
10395234.01 FT
SHL UTAH SOUTH (NAD83) EASTING
2320615.72 FT
SHL LATITUDE (NAD27)
NORTH 38.161022 DEG.
SHL LONGITUDE (NAD27)
WEST 109.133376 DEG.
SHL UTAH SOUTH (NAD27) NORTHING
552729.33 FT
SHL UTAH SOUTH (NAD27) EASTING
2680407.08 FT

SURVEYOR'S STATEMENT

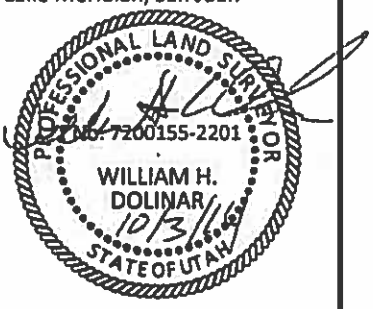
I, William H. Dolinar, Professional Land Surveyor, UT RLS #7200155-2201 hereby certify that (in accordance with a request from Danielle Gavito with Patara Oil & Gas, LLC) I and or personnel under my direction made a survey on the 2nd day of October 2012, for the Surface Hole Location and Elevation as shown, being located within the NW1/4SW1/4 of SECTION 24, T30S, R25E of the Salt Lake Meridian, San Juan County, Utah of the BIG INDIAN 24-31-30-25 being staked on the ground as shown hereon.

NOTES

(1.) Basis of Datum is the Utah State Plane Coordinate System, South Zone, NAD83 from GPS observations derived from OPUS observations at WHS 1-1/2" al. cap, "CP 30-25-23" at North 10392479.99 FT, East 2317045.82 FT.
(2.) Vertical Datum used is of NAVD 88 referenced to said WHS control point CP 30-25-23, Elevation 6394.90 feet.
(3.) The Basis of Bearings for this survey is Grid North as referenced to the west line of the shown SW4 of SECTION 24 monumented as shown and bearing N 1° 33' 11" W .

LEGEND

- ◈ STAKED SURFACE HOLE LOCATION
- □ APPROXIMATE BOTTOM HOLE LOCATION
- ● FOUND 2-1/2" BRASS CAP SET FOR SECTION CORNER BY THE BLM IN 1916.
- ○ CORNER POSITION CALCULATED FROM RECORD DIMENSIONS ON USLGO SURVEY PLAT APPROVED ON MAY 8, 1917.



~SEAL~

CONFIDENTIALITY NOTES:
The information contained in this plat is legally privileged and confidential information intended only for the use of the recipients. If you are not the intended recipients, you are hereby notified that any use, dissemination, distribution or copying of this information is strictly prohibited.

BIG INDIAN 24-31-30-25 PAD

WILLIAM H. SMITH & ASSOCIATES P.C.
SURVEYING CONSULTANTS
550 EAST SECOND NORTH
GREEN RIVER, WY
PHONE: 307-875-3638
307-875-3639
www.whsmithpc.com

PLAT OF DRILLING LOCATION
FOR
PATARA OIL & GAS, LLC

1769' F/SL & 1070' F/WL, SECTION 24
T. 30 S., R. 25 E., SALT LAKE P.M.
SAN JUAN COUNTY, UTAH

JOB NO: 2011900.011	DATE DRAWN - BY: 10/10/12 - rcr
REVISIONS: Moved Bottom Hole. 10/1/14 rr	SCALE: 1" = 1000'
	EXHIBIT 1 PAGE 1 OF 1

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU82597

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

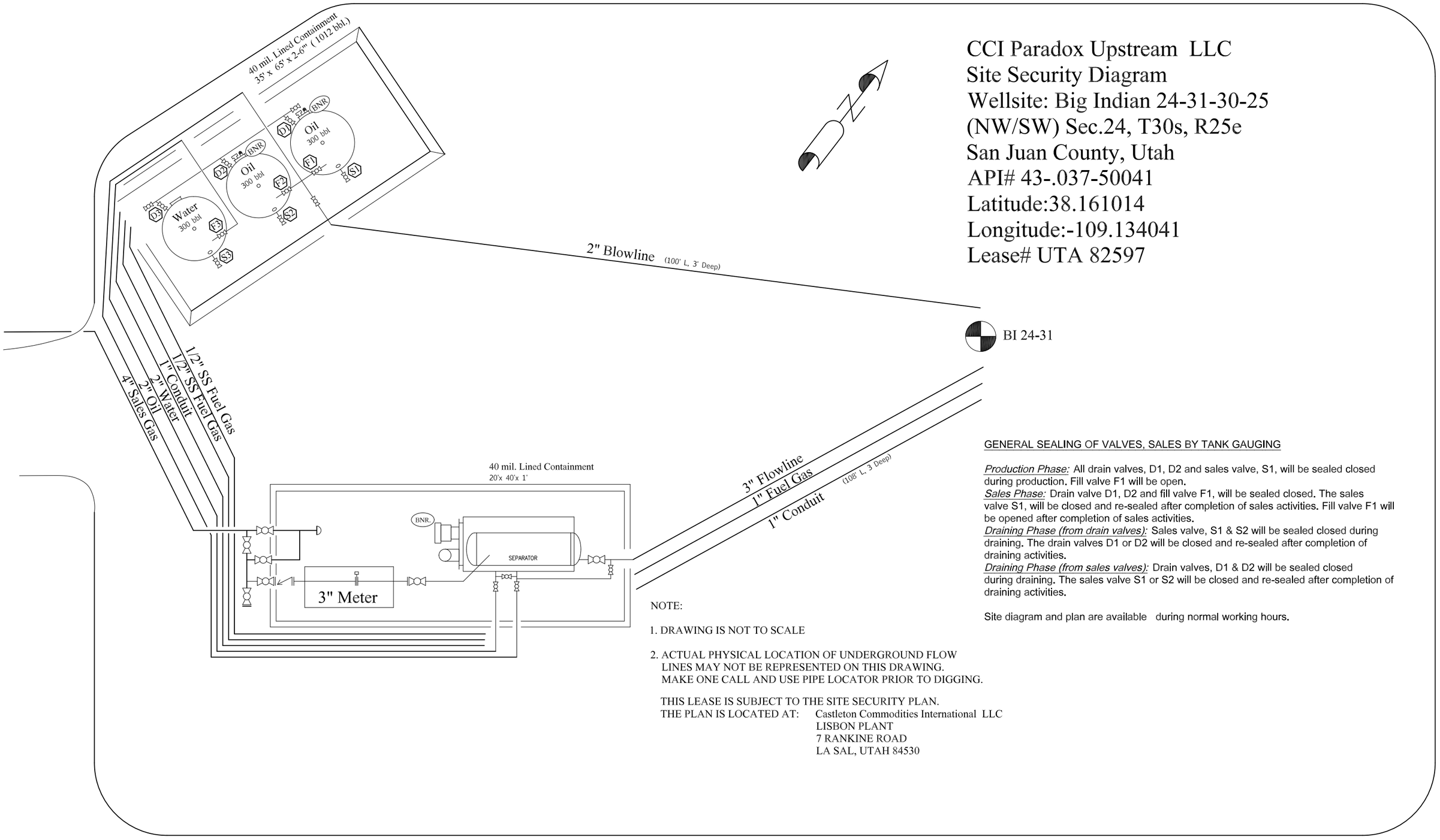
TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 11/24/2014	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Site security diagram

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Site Security Diagram for the MM 26-23-29-24, and a description of how we dispose of the oil and water (below). 7. METHODS FOR HANDLING WASTE A. All Federal and State laws would be followed regarding use, storage and disposal of hazardous materials and solid wastes. B. A closed loop drilling system will be used. A solids pile will be constructed on the southwest side of the well pad to temporarily store drill cuttings. It will be surrounded on all sides by a 2-foot berm to provide total containment (see Exhibit 2, pages 1 and 2). When drilling operations are complete, the cuttings will be tested for suitability for use in interim reclamation operations. If determined to be unsuitable, the cuttings will be transported by truck to an approved disposal facility. C. Natural gas from completion/testing operations will be flared from a stack located on the west corner of the well pad, locat

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
December 18, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Mullins	303 728-2219	Reservoir Engineering Tech
SIGNATURE		**DATE**
N/A		12/5/2014



CCI Paradox Upstream LLC
Site Security Diagram
Wellsite: Big Indian 24-31-30-25
(NW/SW) Sec.24, T30s, R25e
San Juan County, Utah
API# 43-.037-50041
Latitude:38.161014
Longitude:-109.134041
Lease# UTA 82597

NOTE:

1. DRAWING IS NOT TO SCALE

2. ACTUAL PHYSICAL LOCATION OF UNDERGROUND FLOW LINES MAY NOT BE REPRESENTED ON THIS DRAWING. MAKE ONE CALL AND USE PIPE LOCATOR PRIOR TO DIGGING.

THIS LEASE IS SUBJECT TO THE SITE SECURITY PLAN.
THE PLAN IS LOCATED AT: Castleton Commodities International LLC
LISBON PLANT
7 RANKINE ROAD
LA SAL, UTAH 84530

GENERAL SEALING OF VALVES, SALES BY TANK GAUGING

Production Phase: All drain valves, D1, D2 and sales valve, S1, will be sealed closed during production. Fill valve F1 will be open.
Sales Phase: Drain valve D1, D2 and fill valve F1, will be sealed closed. The sales valve S1, will be closed and re-sealed after completion of sales activities. Fill valve F1 will be opened after completion of sales activities.
Draining Phase (from drain valves): Sales valve, S1 & S2 will be sealed closed during draining. The drain valves D1 or D2 will be closed and re-sealed after completion of draining activities.
Draining Phase (from sales valves): Drain valves, D1 & D2 will be sealed closed during draining. The sales valve S1 or S2 will be closed and re-sealed after completion of draining activities.

Site diagram and plan are available during normal working hours.

RECEIVED: Dec. 05, 2014

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU82597

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
Big Indian 24-31-30-25

2. NAME OF OPERATOR:
CCI PARADOX UPSTREAM, LLC

9. API NUMBER:
43037500410000

3. ADDRESS OF OPERATOR:
600 17th Street, Suite 1900S , Denver, CO, 80202

PHONE NUMBER:
303 728-2222 Ext

9. FIELD and POOL or WILDCAT:
UNDESIGNATED

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1769 FSL 1070 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWSW Section: 24 Township: 30.0S Range: 25.0E Meridian: S

COUNTY:
SAN JUAN

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 11/7/2014	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: FIRST PRODUCTION

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE BIG INDIAN 24-31-30-25 WAS FIRST PRODUCED ON 11/07/2014. DURING A 24 HOUR TEST PERIOD, THE WELL PRODUCED 0 BBLS OF OIL, 1147 MCF OF GAS, AND 0 BBLS WATER ON 18/64 CHOKE. FIRST SALES DATE: 11/15/2014. PLEASE SEE COMPLETION REPORT FOR DETAILS TO FOLLOW SHORTLY. THANK YOU.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 07, 2015

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Ashley Noonan	303 728-2232	Regulatory Analyst
SIGNATURE		**DATE**
N/A		1/6/2015

RECEIVED: Jan. 06, 2015

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 82597

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME:

b. TYPE OF WORK: NEW WELL ☑ HORIZ LATS ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF RESVR ☐ OTHER

8. WELL NAME and NUMBER: BIG INDIAN 24-31-30-25

2. NAME OF OPERATOR: CCI PARADOX UPSTREAM LLC

9. API NUMBER: 4303750041

3. ADDRESS OF OPERATOR: 600 17TH ST, # 1900S CITY DENVER STATE CO ZIP 80202

PHONE NUMBER: (303) 728-2222

10 FIELD AND POOL, OR WILDCAT: EXPLORATORY

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1769 FSL 1070 FWL S24-T30S-R25E
AT TOP PRODUCING INTERVAL REPORTED BELOW: ~ 1513.27 FSL 925.16 FWL S24-T30S-R25E
AT TOTAL DEPTH: 1255.95 FSL 801.45 FWL S24-T30S-R25E

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 24 30S 25E S

12. COUNTY: SAN JUAN

13. STATE: UTAH

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:	ABANDONED	READY TO PRODUCE	17. ELEVATIONS (DF, RKB, RT, GL):
10/10/2014	10/18/2014	11/9/2014	☐	☑	6311' GL

18. TOTAL DEPTH:	19. PLUG BACK T.D.:	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET:
MD 3,856 TVD 3,787	MD 3,803 TVD 3,740		MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
FULL SUITE

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☐ YES ☑ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20	16	COND	0	80					
12 1/4	8 5/8 J-55	32	0	2,186		LEAD 540		0-CBL	
						TAIL 200		0-CBL	148 BBL
7 7/8	4 1/2 L-80	11.60	0	3,848		LEAD 300		0-CIR	
						TAIL 150		0-CIR	5 BBL

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8	2,742							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) HONAKER TRL	2,278			
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
2,784 3,428	.34	768	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

WAS WELL HYDRAULICALLY FRACTURED? YES ☐ NO ☑ IF YES – DATE FRACTURED:

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL

29. ENCLOSED ATTACHMENTS:

☑ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☑ OTHER: CBL

30. WELL STATUS: Producing

(5/2013) (CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED	TEST DATE	HOURS TESTED	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
11/7/2014	11/8/2014	24		0	1,147	0	FL

CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
18/64	900	890			0		0	1,147	0	

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

FLARED

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
CHINLE	2,130	2,278			
CUTLER	2,278	2,703			
HONAKER TRL	2,703				

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) ASHLEY NOONAN TITLE REGULATORY ANALYST

SIGNATURE Ashley Noonan DATE 1/6/2015

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2013)

CCI Paradox Upstream LLC

San Juan Co., Utah (NAD 27)
Sec. 24-T30S-R25E
Big Indian 24-31

Wellbore #1

Survey: Survey #1

Standard Survey Report

19 October, 2014

Archer

Archer

Survey Report

Company:	CCI Paradox Upstream LLC	**Local Co-ordinate Reference:**	Well Big Indian 24-31
Project:	San Juan Co., Utah (NAD 27)	**TVD Reference:**	WELL @ 6326.00usft (Original Well Elev)
Site:	Sec. 24-T30S-R25E	**MD Reference:**	WELL @ 6326.00usft (Original Well Elev)
Well:	Big Indian 24-31	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	Wellbore #1	**Database:**	EDMDBBW

Project San Juan Co., Utah (NAD 27)

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Colorado South 503		

Site Sec. 24-T30S-R25E

Site Position:		**Northing:**	564,434.730 usft	**Latitude:**	38° 9' 39.679 N
From:	Lat/Long	**Easting:**	955,563.811 usft	**Longitude:**	109° 8' 0.154 W
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	-2.23 °

Well Big Indian 24-31

Well Position	**+N/-S**	0.00 usft	**Northing:**	564,434.730 usft	**Latitude:**	38° 9' 39.679 N
	+E/-W	0.00 usft	**Easting:**	955,563.811 usft	**Longitude:**	109° 8' 0.154 W
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	usft	**Ground Level:**	6,326.00 usft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	2014/07/09	10.26	64.36	51,102

Design Wellbore #1

Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	237.98

Survey Program **Date** 2014/10/19

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
114.00	3,856.00	Survey #1 (Wellbore #1)	MWD	MWD - Standard

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
First Archer Survey									
114.00	0.40	169.40	114.00	-0.39	0.07	0.15	0.35	0.35	0.00
152.00	0.30	115.00	152.00	-0.56	0.19	0.14	0.87	-0.26	-143.16
240.00	0.60	108.00	240.00	-0.80	0.83	-0.28	0.35	0.34	-7.95
328.00	0.20	315.00	327.99	-0.84	1.16	-0.54	0.89	-0.45	-173.86
418.00	0.60	248.00	417.99	-0.90	0.62	-0.04	0.61	0.44	-74.44
511.00	0.80	246.30	510.99	-1.35	-0.43	1.08	0.22	0.22	-1.83
606.00	1.30	236.00	605.97	-2.22	-1.93	2.81	0.56	0.53	-10.84
697.00	1.30	235.30	696.95	-3.38	-3.63	4.87	0.02	0.00	-0.77
786.00	1.20	243.30	785.92	-4.37	-5.30	6.81	0.23	-0.11	8.99
877.00	1.20	249.30	876.90	-5.14	-7.04	8.69	0.14	0.00	6.59
970.00	1.70	256.30	969.87	-5.81	-9.29	10.96	0.57	0.54	7.53

Archer

Survey Report

Company:	CCI Paradox Upstream LLC	**Local Co-ordinate Reference:**	Well Big Indian 24-31
Project:	San Juan Co., Utah (NAD 27)	**TVD Reference:**	WELL @ 6326.00usft (Original Well Elev)
Site:	Sec. 24-T30S-R25E	**MD Reference:**	WELL @ 6326.00usft (Original Well Elev)
Well:	Big Indian 24-31	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	Wellbore #1	**Database:**	EDMDBBW

Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
1,063.00	2.50	258.30	1,062.81	-6.62	-12.60	14.19	0.86	0.86	0.00
1,073.00	2.55	252.40	1,072.80	-6.74	-13.03	14.62	1.79	0.50	-39.00
1,104.00	2.46	250.90	1,103.77	-7.16	-14.31	15.93	0.36	-0.29	-4.84
1,135.00	3.03	254.86	1,134.74	-7.59	-15.73	17.36	1.94	1.84	12.77
1,166.00	3.08	249.59	1,165.69	-8.10	-17.30	18.96	0.92	0.16	-17.00
1,198.00	3.16	250.73	1,197.65	-8.69	-18.94	20.67	0.32	0.25	3.56
1,230.00	3.25	253.28	1,229.59	-9.24	-20.64	22.40	0.53	0.28	7.97
1,261.00	3.43	249.06	1,260.54	-9.82	-22.35	24.16	0.98	0.58	-13.61
1,293.00	3.56	249.59	1,292.48	-10.51	-24.18	26.07	0.42	0.41	1.66
1,325.00	3.47	248.53	1,324.42	-11.21	-26.01	28.00	0.35	-0.28	-3.31
1,360.00	3.69	250.99	1,359.35	-11.97	-28.06	30.14	0.77	0.63	7.03
1,387.00	3.82	245.89	1,386.30	-12.62	-29.70	31.87	1.33	0.48	-18.89
1,418.00	4.09	243.08	1,417.22	-13.54	-31.63	34.00	1.07	0.87	-9.06
1,450.00	4.80	234.65	1,449.13	-14.83	-33.74	36.47	3.01	2.22	-26.34
1,482.00	5.41	229.28	1,481.00	-16.59	-35.97	39.30	2.42	1.91	-16.78
1,512.00	6.15	223.57	1,510.85	-18.68	-38.15	42.25	3.12	2.47	-19.03
1,544.00	6.33	221.11	1,542.66	-21.25	-40.49	45.60	1.01	0.56	-7.69
1,575.00	6.64	215.22	1,573.46	-24.00	-42.65	48.89	2.37	1.00	-19.00
1,607.00	6.94	209.16	1,605.24	-27.20	-44.66	52.29	2.43	0.94	-18.94
1,638.00	7.51	202.92	1,635.99	-30.70	-46.36	55.59	3.13	1.84	-20.13
1,670.00	7.87	201.33	1,667.70	-34.67	-47.97	59.06	1.31	1.12	-4.97
1,733.00	8.44	202.65	1,730.06	-42.95	-51.32	66.29	0.95	0.90	2.10
1,764.00	8.83	201.60	1,760.71	-47.27	-53.08	70.06	1.36	1.26	-3.39
1,859.00	9.27	201.60	1,854.53	-61.16	-58.58	82.09	0.46	0.46	0.00
1,954.00	10.20	202.04	1,948.16	-76.07	-64.55	95.06	0.98	0.98	0.46
2,055.00	11.16	201.95	2,047.41	-93.43	-71.56	110.21	0.95	0.95	-0.09
2,143.00	11.95	201.96	2,133.63	-109.78	-78.15	124.46	0.90	0.90	0.01
2,205.00	12.50	201.20	2,194.22	-121.98	-82.98	135.03	0.92	0.89	-1.23
2,299.00	14.00	209.51	2,285.72	-141.37	-92.26	153.17	2.58	1.60	8.84
2,394.00	15.68	209.77	2,377.55	-162.51	-104.29	174.59	1.77	1.77	0.27
2,489.00	16.30	204.76	2,468.88	-185.76	-116.25	197.05	1.59	0.65	-5.27
2,584.00	14.94	200.81	2,560.37	-209.32	-126.19	217.96	1.82	-1.43	-4.16
2,678.00	15.47	202.30	2,651.08	-232.24	-135.25	237.80	0.70	0.56	1.59
2,773.00	15.51	202.13	2,742.63	-255.73	-144.84	258.39	0.06	0.04	-0.18
2,868.00	15.69	201.42	2,834.13	-279.46	-154.32	279.00	0.28	0.19	-0.75
2,962.00	15.82	202.04	2,924.60	-303.16	-163.77	299.58	0.23	0.14	0.66
3,056.00	15.73	201.86	3,015.06	-326.87	-173.32	320.25	0.11	-0.10	-0.19
3,150.00	15.76	202.15	3,105.53	-350.52	-182.88	340.89	0.09	0.03	0.31
3,244.00	14.98	202.91	3,196.17	-373.53	-192.42	361.18	0.86	-0.83	0.81
3,338.00	15.16	207.14	3,286.94	-395.66	-202.75	381.68	1.19	0.19	4.50
3,432.00	15.55	206.69	3,377.58	-417.85	-214.02	403.00	0.43	0.41	-0.48
3,527.00	15.16	210.65	3,469.20	-439.92	-226.07	424.91	1.18	-0.41	4.17
3,620.00	14.90	211.71	3,559.01	-460.55	-238.56	446.44	0.41	-0.28	1.14
3,714.00	14.76	209.24	3,649.88	-481.28	-250.76	467.77	0.69	-0.15	-2.63
Last Archer Survey									
3,808.00	14.90	209.24	3,740.75	-502.28	-262.51	488.87	0.15	0.15	0.00
PTB									
3,856.00	14.90	209.24	3,787.14	-513.05	-268.54	499.69	0.00	0.00	0.00

Archer

Survey Report

Company:	CCI Paradox Upstream LLC	**Local Co-ordinate Reference:**	Well Big Indian 24-31
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Well:	Big Indian 24-31	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	Wellbore #1	**Database:**	EDMDBBW

Survey Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
114.00	114.00	-0.39	0.07	First Archer Survey
3,808.00	3,740.75	-502.28	-262.51	Last Archer Survey
3,856.00	3,787.14	-513.05	-268.54	PTB

Checked By: _____ Approved By: _____ Date: _____